

**SAN FRANCISCO STATE UNIVERSITY FOUNDATION  
EXECUTIVE COMMITTEE MEETING  
San Francisco State University Downtown Campus  
835 Market Street, Room 667, San Francisco, CA  
Thursday, February 21, 2019, 11:30 am - 1:00 pm**

Chair Safford started the Executive Committee meeting at 11:35 AM.

Committee Members Present

Venesia Thompson-Ramsay, President  
Taylor Safford, Chair  
Ted Griggs, Committee on Athletics Co-Chair (via phone)  
John Gumas, Chair, Campaign Cabinet  
Mary Huss, Committee on Directors Chair  
Don Nasser, Audit Committee Chair  
Neda Nobari, Investment Committee Chair  
Camilla Smith, Development Committee Chair (via phone)

Committee Members Absent and Excused

Kimberly Brandon, Vice Chair  
Dennis O'Donnell, Committee on Athletics Co-Chair  
David Serrano Sewell, Immediate Past Chair  
Wade Rose, Public Affairs Committee Chair

Others Present

Carol Cartwright, Consultant, Association of Governing Boards (via phone)  
Caroline Johansson, Secretary and Treasurer, SF State Foundation

- I. **Review of Agenda:** The committee reviewed the agenda. No changes were proposed.
- II. **Approval of Meeting Minutes:** The committee reviewed the minutes from the November 8 2018 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: John Gumas    Seconded by: Don Nasser    Motion: Passed

III. Operating Business:

CSU 2017-2018 Donor Report: Thompson-Ramsay introduced the 2017-2018 Donor Support report from the Chancellor's Office and asked committee members to review page 46, Charitable Gift Commitments. She pointed out that San Francisco State was now in Group III defined by having over 10,000 individual donors, over 20 full-time professional fundraisers and over \$50 million in endowment market value. She mentioned that SF State was not quite at the same level

in terms of donors and fundraisers. However, our total gift commitments and total endowment market value were large enough to warrant the move by the Chancellor's Office.

March 2 Board Advance Prep Call with Facilitator: Thompson-Ramsay introduced Carol Cartwright, touching on her background and wealth of experience on leadership transition having served as president at Bowling Green State University and Kent State University. She then walked through the agenda for the two-day board gathering, beginning March 1<sup>st</sup> with an Executive Committee meeting followed by a reception and dinner where wine from three alumni wineries will be paired with dinner. Thompson-Ramsay mentioned that Provost Jennifer Summit would fill in for President Wong who was in Asia as part of the CSU Asia Trip. She also mentioned that day 2 of the Board Advance would begin with a panel discussion on "University in Transition and Lessons Learned for its Philanthropic Foundation" facilitated by Cartwright. She said the panelists included Michele Lahti, Vice President for Advancement at CSU Stanislaus/Executive Director of the CSU Stanislaus Foundation and Fardin Sanai, Vice President for University Advancement, University of Albany/Executive Director, University of Albany Foundation. She mentioned that the panelist discussion would be followed by a video of President Wong reflecting on his tenure at SF State, challenges and lessons learned. Finally, Thompson-Ramsay shared that there would be four breakout sessions centered on onboarding the incoming president: Campus Engagement to be facilitated by Luoluo Hong; Public Engagement (Top 25 People to Meet) to be facilitated by Lisbet Sunshine; Communications to be facilitated by Janis MacKenzie; and Events & Protocol to be facilitated by Teresa Ono. Cartwright listened to committee members discuss what they were looking to get out of the Board Advance. She pointed out that while presidential transitions came with some risks, it was an opportunity to utilize the transition in a very strategic way.

Exceptions to Annual Distribution Policy: Thompson-Ramsay presented two proposals for exception to the annual distribution policy. She mentioned that the Foundation's policy was that a permanent endowment must be established for 12 months before allowing a distribution. Thompson-Ramsay said the Dr. Salvador Chavez & Dr. Edward O. Hascal Scholarship endowment was established in 2017 to support the Counseling Department. She said the endowment matured in August 2018 with the first payout due in FY 19-20. However, the Counseling Department would like to advertise and award the scholarship in the 2019 spring semester since the endowment matured the prior fall. The Committee questioned the reason for the delay in establishing the endowment and had concerns that an approval of the exception would set a bad precedence. The Committee requested additional information for consideration. The exception request was not approved.

Thompson-Ramsay then presented the second policy exception proposal. She mentioned that in November 2017, the University received a significant bequest from the estate of emerita professor Serena De Bellis in support of the de Bellis Collection currently housed in the J. Paul Leonard Library. She said the funds were provided to the Foundation on behalf of the Friends of the Library and required Foundation Board approval of the proposed programmatic use before the endowment could be established. The Library's request for a more expansive use of the funds beyond "acquisition of materials" resulted in a further delay as staff sought legal guidance. Thompson-Ramsay said the Foundation Board finally approved the programmatic use of funds in December 2018. She said now that the endowment was established, the Library is requesting an

exception to use the funds prior to the 12-month maturation period given that the funds have been in hand for over a year. The Executive Committee agreed with the request since the delay was due more to legal delay. On motion duly made, seconded, and unanimously carried, the following Minute Action was taken:

**MINUTE ACTION:** that the Executive Committee approves the request for exception to the Foundation's distribution policy and authorize a distribution from the Serena de Bellis Endowment to be available in FY 18-19.

Motion by: Neda Nobari

Seconded by: John Gumas

Motion: Passed

Strategic Planning Update: Thompson-Ramsay reported that she spoke with Sutherland Edwards about adjusting the consulting contract to limit the focus to stakeholder interviews. The Committee asked staff to find out the cost to end the contract. Thompson-Ramsay promised to provide an update at the Executive Committee special meeting on March 1<sup>st</sup>.

Farewell for President Wong: Thompson-Ramsay proposed that the Board do something in honor of President Wong who was retiring in the summer. She proposed a similar approach to the farewell for Robert Nava where the honor would be tacked on to the May 31<sup>st</sup> Executive Committee meeting. The Committee agreed to a farewell luncheon and discussed ideas for a parting gift.

Presidential Search: Chair Safford provided an update on the presidential search. He said the next planned search committee meeting was scheduled for March 12<sup>th</sup> with the Chancellor to discuss the important characteristics/traits of the next president. Safford also provided a recap of the February 5<sup>th</sup> town hall meeting where the advisory search committee heard from students, faculty, staff, neighbors and concerned citizens. Safford mentioned that Chancellor White was committed to finding a great candidate.

- IV. Investment Committee Report:** Nobari reported that the Investment Committee met the prior week and continued to build out the portfolio to align with our policy targets. She said the final investment actions were underway now that the Foundation had hired a new custodian. Nobari also reported that the main endowment fund had underperformed against its policy benchmark during the fourth quarter, while the Green Fund slightly outperformed its policy benchmark (main portfolio return of -7.1% and Green Fund return of -6.0%). Additionally, Nobari said the Investment Committee approved a number of new private investments (\$2 million in Hillhouse Capital China Value Fund; \$1 million in Dover Street X; and \$5 million in Arrowstreet Capital). She also reported that agreements with the anonymous donor and the market maker were executed and a Bitstamp account set up to convert liquidated tokens. She said the Foundation had received \$7.5 million of the gift. Finally, Nobari shared some of the progress made on establishing a Student Managed Sustainable Investment Fund. She said a team of 10 faculty members had worked on a proposal to develop the academic curriculum and the actual fund to be managed by students. She said the two-part proposal would be submitted to the Board for approval in June so that the course could be offered in spring 2020.

- V. **Committee on Directors:** Huss mentioned that the search for additional Board directors was on hold due to the presidential transition. Huss said they would like to have a Committee on Directors meeting before May 31. Thompson-Ramsay informed the Executive Committee that the AS President was graduating so would not be able to join the Board as planned.
- VI. **Audit Committee:** Nasser reported that there has been little activity since the last Audit Committee meeting on October 4<sup>th</sup> where the Committee reviewed and accepted the audit for FY 17-18. He reminded the Committee that the auditors had identified a material weakness with regards to the valuation and disclosures of alternative/net asset value (NAV) investments. Nasser said the auditors were dissatisfied with the process management had used to review the fair value of the newly-subscribed alternative investments. In response, management agreed to work with its investment advisor to collect and submit the valuation performed on each investment; include its investment advisor in pre-audit meetings and have a member of the audit committee serve on the investment committee. Nasser added that Investment Committee Chair, Neda Nobari had already extended an invitation to Don Endo (a member of the Audit Committee) to serve on the Investment Committee. Don accepted and attended his first investment committee meeting the prior week. Nasser said management was now working on the 17/18 governmental return (also known as IRS Form 990) due May 15, 2019. The next Audit Committee meeting would take place in June 2019.
- VII. **Campaign Cabinet Development Committee:** Gumas reported that as of February 14, 2019, \$134.9 million had been raised toward our \$150 million campaign goal (about 90% of goal). Gumas reminded the Committee that SF State will celebrate its campaign success on April 4<sup>th</sup> at the Masonic Center. He reported that of the total raised, approximately 38% was for current use and 16% in planned gifts. Gumas said the majority of the funding to date, about \$80 million, was from alumni. Foundations and other organizations had granted about \$25.5 million, with corporate support at more than \$10.8 million. Friends of the university had given more than \$18 million. Gumas said our team of volunteers, university leaders, faculty and development staff had already secured more than \$54.4 million in gifts and pledges since the beginning of the fiscal year and provided an highlight of these gifts. He also shared that the solicitation pipeline included more than \$52 million in proposals. Finally, Gumas mentioned that George and Judy Marcus would be honored at the March CSU Board of Trustees meeting.
- VIII. **Public Affairs Committee:** No report.
- IX. **Committee on Athletics:** No report.
- X. **Adjournment:** No further items were discussed. With Chair Taylor Safford making the motion and Nasser seconding, the meeting was adjourned at 1:02 pm.

Respectfully submitted,

  
Taylor Safford, Chair

6-20-19  
Date