

California State University, Los Angeles Foundation

BOARD OF TRUSTEES Meeting Minutes

Thursday, January 26, 2023
4:30 p.m.

San Antonio Winery and
Virtual Meeting

Present: Nelson Algaze, Robert Avalos, Kristine Bezdecny, William Covino, Elaine Draper, Bertha Haro, Manisha Javeri, Andrew Klein, William Lewis, Dwight Nakata, Alma Nieto, Omel Nieves, John Tchong, Sally Zesut

Absent: Chris Garlington, Mina Nazemi, Brian Nguyen, Joyce Williams

Staff: Susana Moreno, Fiscal Analyst, University Advancement
Jane Rhee, Administrative Assistant, University Advancement
Rose Savare, Administrative Assistant, University Advancement

Guest: Alev Lewis
Willie Zuniga

Omel Nieves called the meeting to order at 4:35 p.m.

President's Report – Omel Nieves, President

Mr. Nieves facilitated roundtable of introductions to welcome new trustees.

Approval of Minutes for September 29, 2022

The draft minutes of the September 29, 2022, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of the September 29, 2022, Board of Trustees meeting was made by Bertha Haro and seconded by John Tchong.

With no further comments, the Trustees conducted a verbal vote and the motion passed.

Approval of Minutes for December 7, 2022

The draft minutes of the December 7, 2022, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of the December 7, 2022, Board of Trustees meeting was made by Bertha Haro and seconded by John Tchong.

With no further comments, the Trustees conducted a verbal vote and the motion passed.

University President's Report – William A. Covino

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President Covino reported there were two Cal State LA students impacted by the tragic events that occurred in Monterey Park this past weekend and that counseling and other supportive services are being provided to those students and their families and the campus community at large.

Cal State LA was only 1 of 3 CSU campuses that met enrollment targets. Graduation rates have soared the past few years and President Covino shared that Cal State LA was highlighted during the system wide board of trustees meeting this week. The presidential search for Cal State LA and the CSU Chancellor search are both still in progress, in addition to several other presidential searches throughout the CSU. Despite enrollment steadily increasing since 2015, administrative staff has decreased by 20% during COVID-19. He reported that Governor Newsom approved less than half of the CSU proposed budget and is reviewing their budget in order to implement salary increases.

Committee Reports

Audit Committee – Dwight Nakata

GAAP Audit – Mr. Nakata reported that CohnReznick will be presenting a draft of the federal income tax 990 and the CA-199 for the committee's review in the coming months. The committee will have a final draft to present to the full board for review and approval at the April board meeting.

Development and Gift Acceptance Committee – Bertha Haro

Fundraising Report – Ending December 31, 2022, private giving receivables was \$5.4M, of which \$2.7M was earmarked to the foundation restricted accounts. Total philanthropic productivity commitments was \$4.8M, towards our \$10M goal. Total donor count was 974 towards our 5,000 goal.

FY 22-23 Second Quarter Highlights

Criminal justice alumna (1978) made a provision in her estate of \$750K to establish the *Dr. Darlene K. Kuba Scholarship Endowment in Criminal Justice and Criminalistics* in the Rongxiang Xu College of Health & Human Services.

Nursing alumna (1962) and her husband made donations of stocks and cash totaling \$642,903 towards the Luce and Ernst Nursing Directorship Endowment in The Rongxiang Xu College of Health and Human Services.

The Andrew Mellon Foundation made a \$500,000 donation, which completed their pledge of \$1,000,000 to support their *Degrees of Hope Expansion 2022-24* program, which supports a degree-granting program and re-entry support of incarcerated and formerly incarcerated students for 36 months through the Center for Engagement, Service, and the Public Good.

Vast Success LTD made donations totaling \$498,883, towards an \$8M pledge which established the naming of the Rongxiang Xu College of Health and Human Services and the Rongxiang Xu Bioscience Innovation Center. There will be a dedication event later this year for the Innovation Center.

Faculty Emerita from the College of Arts and Letters and her husband made provisions in their estate of \$350K to establish the Ann Garry Endowment to be split between three areas (Philosophy, Women's Studies, and the Center for the Studies of Genders and Sexuality).

The Sikand Foundation made their final \$250K gift toward their five-year pledge of \$1.25M towards *The Sikand Center for Sustainable and Intelligent Infrastructure* (Sikand-SITI) in the College of Engineering, Computer Science and Technology.

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The College of Education will be receiving an award of \$173,855, through the Chancellor's Office (funded by the Bill and Melinda Gates Foundation) for the *CSU Center for Transformational Education Programs*.

The Howard Hughes Medical Institute made its final donation of \$160K, to fulfill its pledge of \$1M, to fund *The Science Faculty for Inclusive Excellence and Transformation* program in the College of Natural and Social Sciences.

The Mark and Jessie Milano Fund fulfilled their second pledge of \$137,500 towards the *James Garrett Scholarship Endowment* in the College of Arts and Letters.

Hauser & Wirth made their fourth annual donation of \$130K, toward their \$1M, pledge to fund the *Hauser & Wirth Partnership* with Television, Film and Media Studies, in the College of Arts and Letters.

The university received a realized bequest from the Estate of Lois V. Sibbach for \$103,961, to establish the *Lois V. Sibbach Fund* in Nursing. Sibbach was a Psychology double alumna (1972 and 1977) from the College of Natural and Social Sciences.

College of Arts and Letters received a \$100K grant award from the American Council on Learned Societies for the *Interactive LGBTQ Digital Historical Repository Storytelling Map*.

The Boeing Company awarded a \$100K grant to support *LAUNCHPAD* and *LAUNCHPADX* projects in the College of Engineering, Computer Science and Technology.

The university received a \$75K grant award from the National Association for Community College Entrepreneurship for the *2022-23 Verizon Innovative Learning STEM-Achievers Program* in Student Life.

Angels Nest pledged a second grant in the amount of \$47,800, to establish an endowed *Guardian Scholars* program fund.

The university received three gifts of \$26,250 to establish named scholarships:

- Faculty emerita established the *Judith Hamera Endowed Fellowship* in the College of Arts and Letters which will support student studies in the humanities.
- Alumnus (2011) and former University Advancement staff member established the *Roxy Woods Endowed Scholarship* in the department of history.
- Teaching credential holder (1979) established the *Fay Chu and Siu Tom Horn Scholarship* for Special Education Teacher's Endowment in the College of Education.

Governance Committee – William Lewis

Mr. Lewis reported that the Governance Committee met and would like to present these action items for consideration.

Trustee Nominee, Guillermo Zuniga – Mr. Lewis asked Mr. Zuniga to leave the meeting room at this time. He presented Willie Zuniga as a trustee nominee. President Covino shared Mr. Zuniga's longstanding relationships and connection with the university.

Motion to elect Willie Zuniga to serve as a trustee for a 3-year term, effective January 27, 2023, through December 31, 2025, was made by Omel Nieves and seconded by Andrew Klein.

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With no further comments, the Trustees conducted a verbal vote and the motion passed.

Mr. Zuniga was asked to rejoin the meeting.

Committee Assignments – The committee groups reflected some of the new trustees who have joined the board.

Motion to approve committee assignments, effective immediately through the end of June 30, 2023, was made by Omel Nieves and seconded by Nelson Algaze.

With no further comments, the Trustees conducted a verbal vote and the motion passed.

Trustee Updates – Mr. Lewis shared that Capri Maddox has declined her nomination at this time, due to professional obligations. Devika Hazra, faculty trustee is on sabbatical leave. Academic Senate has presented Elaine Draper to serve as Dr. Hazra’s alternate faculty trustee. Welcome Professor Draper. Mongwei Wee, former foundation board member, has expressed her interest in rejoining the board in July. The committee will conduct due diligence and present her nomination, accordingly. A.S.I.’s president Jaime Arellano resigned from his role, and there is new A.S.I. President, Brian Nguyen, who will serve on the foundation board through the end of their Academic year. Any nominees, please forward them to Bill Lewis’ attention for consideration.

Investment and Finance Committee – Omel Nieves deferred to Alev Lewis

Portfolio Update – Alev Lewis reported on the endowment’s executive summary ending, December 31, 2022, reporting on the portfolio value of \$52.2M. She provided an overview of the investment gains and losses, performance highlights, asset allocation summary, and rebalancing activities. SkyBridge redemption is still in progress. She reported that the committee agreed to place the \$1.2M in a treasury bond, and concluding to defer the remaining \$1M allocation.

Request for Proposal for Investment Consulting Services Update – Ms. Lewis reported that the committee would recommend re-issue the RFP and presented to the board a revised RFP timeline, along with a draft addendum that would be included when re-issuing the RFP.

Motion to approve the committee’s recommendation of the Addendum language as presented, and to re-issue the Request for Proposal with approved revised timeline was made by Omel Nieves and seconded by Andrew Klein.

With no further comments, the Trustees conducted a verbal vote and the motion passed.

Distribution Options for Fiscal Year 2023-24 – Mr. Nieves shared the distribution options and the committee’s recommendation for the board to approve 3.5% for a total of \$1.4M scholarship distribution funding towards 300 endowed and non-endowed scholarships.

Motion to approve the committee’s recommendation of 3.5% distribution was made by Omel Nieves and seconded by Nelson Algaze.

With no further comments, the Trustees conducted a verbal vote and the motion passed.

Treasurer’s Report – John Tchong

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Unaudited Financial Statement ending December 31, 2022 – Mr. Tcheng presented the *Financial Summary, Ending December 31, 2022*, reporting total inflows, total outflow, and net flow, for an opening fund balance of \$71M, and an ending balance of \$71.3M. On the *Statements of Activities*, Mr. Tcheng reported the total revenue and supports, the change in net assets, and total expenses. On the *Statements of Financial Position*, he presented total assets and liabilities, including unrestricted, quasi-restricted, and restricted. The *Detail Statement of Activities-Unrestricted General Fund* line-itemized the operating budget compared to the approved budget, reflecting available budget of \$333,601 for the remainder of the fiscal year.

There was a brief discussion of Tier levels and how Cal State LA moved from Tier 1 to Tier 2 in the past years. Tier requirements include philanthropic gifts raised, number of frontline fundraisers, and alumni donor count, among other criteria. Donors with smaller gifts are equally important as the donors with six and seven figure gifts.

Executive Director's Report – Robert Avalos

We Are LA Campaign and University-wide Updates – Mr. Avalos reported on the campaign event that the university hosted in October, noting the \$101M raised towards the \$75M goal. The fundraising goal for FY 2022-23 is \$10M, of which the team has raised \$5M. There are opportunities throughout the Advancement division and recruitment is in progress. He reported that the Alumni Association hosted several events in the fall including the annual 50th Reunion celebrating alumnus from Class of 1972 (and prior) at the Half Century Club Luncheon; an inaugural reception of Cal State LA's Chicax Latinx University Alumni Network in September; and the Black Alumni Network. The Luckman Fine Arts Complex has already hosted performers such as Mariza, and Dionne Warwick. Upcoming performances include the Jazz at Lincoln Center, Step Afrika!, and Patti LaBelle. Mr. Avalos encouraged everyone to attend a show at the Luckman. Phoenix Philanthropy have completed their interviews and are compiling data for a final post-campaign assessment which will be presented to various campus constituencies.

Next Meeting

The next meeting of the Foundation Board is scheduled for Thursday, April 27, 2023, 11:15a. Meeting location details will be shared closer to the meeting date.

Motion to Adjourn

With no further business, motion to adjourn was made by Omel Nieves and seconded by Nelson Algaze.

With no further comments, the Trustees conducted a verbal vote and the motion passed.

Meeting adjourned at 6:09p.