Jorge Ramirez called the meeting to order at 11:20 a.m.

President’s Report – Jorge Ramirez, Vice President

Approval of Minutes
The draft minutes of the April 27, 2017, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of April 27, 2017, Board of Trustees meeting, as presented, was made by Rosario Marin, and seconded by Nilza Serrano.

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

Annual Documents – Janet Dial
Dr. Dial reviewed the following annual documents with the Trustees: Conflict of Interest Policy, Volunteer Appointment Form, and the Confidentiality Statement. The Trustees were given an opportunity to review and sign the forms. Also included was the Donor Bill of Rights and Code of Ethical Standards, which are industry based standards and expectations for development professionals.

University President’s Report – President William A. Covino
President Covino reported on the 9 commencement ceremonies. Looking to fall, he reported that the August 2017 enrollment will be another record for Cal State LA. The university will continue to have a free shuttle between the university and the off-site parking lot in neighboring Alhambra. President Covino highlighted the university’s partnership with the Los Angeles Football Club and their commitment to a new training facility, as well as, funds towards renovations to our existing athletic fields. Additional news included updates on the LA BioSpace, and a new partnership with Metropolitan YMCA. The GO East LA program expanded to GO Central LA, which includes “Cradle to Career”, an outreach program geared towards elementary school students. He reported there will be 50 new faculty starting in August. Lastly, the CSU advocated budget was not passed by the state governor. At this time, a tuition increase will help support the CSU’s “Graduation Initiative 2025”.
Ms. Marin inquired whether Cal State LA has a convocation ceremony and President Covino confirmed Cal State LA’s Convocation scheduled for August 17, 2017. In addition to honoring the President’s Distinguished and Outstanding Professor Awardees, this year will be more celebratory to honor the university’s 70th year anniversary. Ms. Serrano inquired of Cal State LA’s role concerning the Olympics and President Covino confirmed that our university has been offered to host and participate, in the event the City of Los Angeles hosts the Olympic Games. Mr. Adamson inquired whether the tuition increase is impacting enrollment at sister CSU’s. It was noted that Cal State LA’s students receive necessary financial aid, so the tuition increase has not impacted Cal State LA students.

**Committee Reports**

**Audit Committee – Dwight Nakata**

*GAAP Audit* – Mr. Nakata reported that the committee held a conference call with the auditors from Macias Gini & O’Connell (MGO) early June for the introductory phase of the audit for FY 16-17. Mr. Nakata reported that the fieldwork for the audit will begin the end of July and anticipates a draft will be ready for the committee’s review by mid to late September. MGO is expected to present the report to the board at the September meeting. Mr. Nakata mentioned the new accounting standards for nonprofit organizations will need to be implemented by June 2019. University controller, Thomas Leung, confirmed that these new accounting standards will begin this coming fiscal year for the foundation’s financial statements.

*Chancellor’s Office Auxiliary Audit Update* – Mr. Nakata reported that the audit is complete and there was one finding. Dr. Dial elaborated on the finding, noting that control measures have already existed, and the division has already addressed the finding by shortening the timeframe for a pledge write-off.

**Development and Gift Acceptance Committee – Jorge Ramirez**

Jorge Ramirez reported that the private giving receivables, from July 1st through May 31st was $15,654,692, of which, $13,981,530 is earmarked to foundation accounts. Gift commitments (which includes new gifts, new pledges and new testamentary commitments) total was $12,217,268.

University Advancement has achieved 136% of its fiscal year goal of $9,000,000 in new gift commitments.

Fourth fiscal quarter highlights included: Kevin Xu’s gift toward his pledge for the Rongxiang Xu College of Health and Human Services; Verizon Foundation grant to the Verizon Innovative Learning Program for Minority Males through our GO East LA initiative; Theatrical Education Group to The Summer Arts Conservatory Media Convergency Endowment; Zelyne Rudolph’s gift towards an endowed fund in the music department; Al Jicha’s pledge to continue supporting the AI and Ann Jicha Endowed Scholarship; the Beatrix Padway Foundation grant for PBI’s Police Orientation and Preparation Program (POPP); Parsons Foundation grant for PBI’s Public Safety Collaborative; John Gerro’s gift towards the John Gerro Real Estate Symposium; and, Charles Church’s pledge to create a named endowed scholarship fund.

Dr. Dial elaborated on the Verizon Foundation grant noting Cal State LA is 1 of 16 universities across the nation.

**Governance Committee – William Lewis**

*Board Acknowledgements* – Mr. Lewis acknowledged Kayla Stamps, ASI President, and Professor Leila Ricci, for their service to the foundation board.

Mr. Lewis reported that the committee convened and presented the following elections and nominations for board consideration.

*Reelection f Continuing Trustee, Omel Nieves* – Motion to reelect Omel Nieves to serve effective July 1, 2017, through June 30, 2020, was made by Mr. Lewis, and seconded by Mongwei Wee.
With no further comments, the Trustees conducted a verbal vote and the motion passed, by unanimous vote.

**Election of Faculty Representative, Veena Prabhu** – Motion to approve Academic Senate’s nomination for Veena Prabhu to serve as Faculty Trustee effective July 1, 2017, through June 30, 2020, was presented by the Governance Committee, and seconded by Yoshi Fong.

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

**Alternate Faculty Representative, Kevin Baaske** – Motion to approve Academic Senate’s nomination of Kevin Baaske to serve as alternate Faculty Trustee for Veena Prabhu effective July 1, 2017, through June 30, 2018 was presented by the Governance Committee, and seconded by Yoshi Fong. Professor Baaske’s curriculum vitae has been attached for review and consideration.

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

**Election of Officers for FY 2017-18** – Governance Committee presented the nominations for officers to serve effective July 1, 2017, through June 30, 2018.

- **President** – Motion to reelect Omel Nieves to serve as president was made by Mr. Lewis, and seconded by Nilza Serrano.

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

- **Vice President** – Mr. Lewis excused Jorge Ramirez from the board room. Motion to reelect Jorge Ramirez to serve as vice president was made by Mr. Lewis, and seconded by Veena Prabhu.

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

- **Secretary** – Motion to elect Andre Avramchuk to serve as secretary was made by Mr. Lewis, and seconded by Nilza Serrano.

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

- **Acknowledge New Ex-Officio Trustees** – Mr. Lewis acknowledged and welcomed Veena Prabhu, the chair of Cal State LA’s Academic Senate, and David Zitser, the president of the Associated Students, Inc. (A.S.I.).

- **Committee Assignments** – Mr. Lewis presented the committee roster for the board’s review. Motion to approve the committee appointments for FY 2017-18 as presented by the committee was made by Mr. Lewis, and was seconded by Yoshiko Fong.

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

  Mr. Lewis asked the new ex-officio Trustees to introduce themselves and elaborate on their roles and responsibilities in their respective elected positions.

- **Investment and Finance Committee** – Janet Dial
  
  **Portfolio Update** – On behalf of the committee, Dr. Dial shared highlights from Stone-Beck’s report of the foundation’s endowment fund, reporting the value as of January 1, 2017, was $36.3M; as of May 31, 2017, was $38.5M; and, as of this morning was $39M. Investment net gains as of May 31, 2017, were $2.2M, and since inception, $14.3M. The year to date total fund performance is 6.5%, outperforming the strategic benchmark of 6.37%. Dr. Dial announced that we will be presenting some dates in the fall for an Investment Policy Statement.
workshop for the full board. She shared the foundation’s asset allocation summary in relation to the Investment Policy Statement. In comparison to the other 121 institutions within the $25-$50M range (based on NACUBO’s 2016 data), the Stone-Beck Group will present their suggested asset allocation summary contingent on the endowment value. Overall assets for the foundation total $58.8M (including unrestricted, temporarily restricted and permanently restricted funds).

Dr. Dial reported on the Request for Proposal status, and reported on behalf of the committee that the deadline was extended from the initial deadline of June 15, 2017, to June 30, 2017.

Operating Budget for FY 2017-18 from July 1, 2017 through June 30, 2018 – Dr. Dial referred to Mae Santos who presented an overview of the operating budget for FY 2017-18. Ms. Santos narrated the budget details and presented the committee’s recommendation to include a 10% contingency increase, in addition to, the proposed operating budget. Dr. Dial reviewed several line item operating expenses to elaborate on expense increases.

Motion to approve the operating budget for FY 2017-18, in addition to, the committee’s recommendation of the 10% contingency was made by Nilza Serrano and seconded by Lorraine Bradley.

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

Treasurer’s Report – Mae Santos
Unaudited Financial Statements, Ending May 31, 2017
Ms. Santos presented the Financial Summary and reported total Inflows and total Outflows, which resulted in total Net Flow of $11.3M. The Ending Fund Balance was $58.8M.

Ms. Santos reported on the Statements of Financial Position (balance statement) and reviewed total assets and liabilities for each category: Unrestricted Funds, Temporarily Restricted Funds, and Permanently Restricted Funds.

Ms. Santos reported on the Statements of Activities (profit and loss statement) and reviewed total revenue and expenses for each category: Unrestricted Funds, Temporarily Restricted Funds, and Permanently Restricted Funds.

In review of the Detail Statement Activities, expenses ending May 31, 2017 were $450,961 for an available budget of $4,336, approximately 99% of the approved $455,297 fiscal year budget.

Executive Director’s Report – Janet Dial
Dr. Dial shared the latest philanthropic productivity figures as of last night of more than $14M. Gift receivables year to date is $16.6M (compared to last year’s $4.7M). This is reflective of the increased alumni events and engagement activities. She shared a donor prospect story to illustrate the impact of Cal State LA on alumni. She also stressed that one of the fundraising measurements is not solely fundraising dollars, but also the number of individual donors, as well as, alumni donors.

This year’s events have all commemorated the 70th year anniversary of the university. Upcoming events continuing the anniversary theme include, Legacies, an art exhibit of alumni artists initiated by Mark Steven Greenfield, which will begin September 9. Another September event is Cal State LA night at Dodger Stadium, where President Covino will throw the first pitch. She shared the details of this special event with the board.

There will be an all campus, all reunion event later this fall, in honor of the 70th anniversary, in addition to, the annual 50th year and Half-Century Club Induction luncheon.
Dr. Dial shared details of the Billie Jean King & Friends Gala and honorees for October 21, 2017, and invited all Trustees to join us that evening.

Ms. Serrano shared an entrepreneur story of one her mentee students from the College of Business and Economics, a student who started the shoe company, “2 & 20”, and directed her colleagues to his website and his products.

**Next Meeting and Adjournment**
Mr. Ramirez announced the next meeting of the Foundation is scheduled for September 28, 2017.

With no further comments, the Trustees unanimously concurred to adjourn.