
Absent: Rosario Marin, Robert Velasquez

Staff: Thomas Leung, University Controller
Susana Moreno, Fiscal Analyst, University Advancement
Mario Perez, Associate Vice President for University Advancement
Jane Rhee, Administrative Assistant, University Advancement

Omel Nieves called the meeting to order at 11:20 a.m.

ASI President Designee Introductions
Omel welcomed Christopher Koo, ASI representative, and asked him to introduce himself to the trustees.

Christopher Koo shared his interest in finance which led to his interest to the foundation board. He is an Early Entrance Program student of junior standing at Cal State LA, and a native Angeleno. His career goals are in finance/asset management.

President's Report – Omel Nieves, President

Approval of Minutes
The draft minutes of the June 27, 2018, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of June 27, 2018, Board of Trustees meeting was made by Veena Prabhu and seconded by Barry Rondinella.

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

University President’s Report – President William A. Covino
President Covino announced that enrollment is near 28,000 students, reporting 86% of enrolled students are full-time status, and incoming freshman are taking, on average, 14.8 units (approximately 5 classes). This will keep them on track to graduate timely. The university has a new advising program that is more uniform and there is more frequent communications with the students to encourage and promote student success.
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Cal State LA is due for accreditation in the spring by the Western Association of Schools and Colleges (WASC). President Covino briefly explained the various phases and process of re-accreditation.

President Covino reported that the LA BioSpace Incubator should be finished by end of 2018 or early 2019. Other construction projects include the 2,000 space parking structure and Cal State LA will soon be breaking ground for the new 1,500 bed housing complex. The building formerly known as the Physical Sciences building is undergoing retrofitting and interior design.

He also announced there will be a new food vendor, Everytable, housed on the side of the University Library entrance. This vendor has established locations throughout Los Angeles and their menu prices are on a sliding scale, dependent on the community income, with a goal to provide healthier and nutritious food.

President Covino shared that Washington Monthly publication ranked Cal State LA #6 out of 695 master’s degree awarding institutions and women’s volleyball is currently 13-0, ranked #16 in the nation.

Committee Reports
Audit Committee – Dwight Nakata
Audited Financial Statements, ending June 30, 2018 – Committee has recently reviewed the June 30, 2018 financial statements, and held exit audit meeting with MGO. There was one edit on page 16. Mr. Nakata reported that the foundation’s GAAP audit ending fiscal year June 30, 2018 will be submitted to the Chancellor’s Office upon board approval.

James Godsey and Amy Chiang from MGO were introduced to the board. Ms. Chiang presented and reviewed the management representation letter, stating all information submitted was accurate and that all material information was disclosed and reviewed by the auditors. Mr. Godsey reported that all financial statements disclosed were neutral, consistent and clear. There were no difficulties in dealing with management; there were no misstatements identified; and, there were no disagreements with management during the course of the audit. There was no need for a management letter as there were no audit findings requiring a management letter.

Motion to approve the draft audited financial statements, ending June 30, 2018, was recommended by the Audit Committee and seconded by Andre Avramchuk.

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

Audit Firm Request for Proposal Update – Mr. Nakata reported that the foundation’s contract with MGO will be expiring June 30, 2019 and the committee will be working reviewing and interviewing proposals in conjunction with other university auxiliary organizations, including the University Student-Union and the University Auxiliary Services. Updates of the request for proposal will be forthcoming.

Development and Gift Acceptance Committee – Janet Dial
On behalf of Rosario Marin and the Development Committee, Dr. Dial reported that the committee convened to discuss some initiatives and shared that fiscal year-end closing June 30, 2018 recorded $8.4M in new philanthropic gifts and more than $6.6M in private giving receivables. One of the record setting numbers from FY 17-18 was the number of alumni donors surpassing 5,000. The other record setting figure was the number of student donors, which was more than 1,400.
As of August 31, 2018, there is $1.2M in gift receivables, of which $1M is earmarked to Cal State LA Foundation accounts. There are numerous active proposals at this time which she will elaborate during her executive director’s report.

Some highlights from this past fiscal quarter include the second 750K distribution from the Ahmanson Foundation for the State Playhouse renovations. There will be a grand re-opening event in November to celebrate and showcase the newly renovated playhouse. The Hollywood Foreign Press Association granted this year $63,000. Raytheon awarded the College of Engineering, Computer Science, and Technology $25,000. An alumnus from the Class of 1954 made a testamentary commitment of $100,000 towards a scholarship fund in the Charter College of Education.

Governance Committee – Andre Avramchuk
Acknowledged ASI President (or Designee) for FY 2018-19 – Professor Avramchuk welcomed and acknowledged Christopher Koo, ASI President Designee, to the foundation board.

Committee Appointments for Fiscal Year 2018-19 – Professor Avramchuk shared an updated committee roster for FY 18-19. Please reach out to engage in a committee if you have not done so already.

Investment and Finance Committee – Alev Lewis
Portfolio Update – Ms. Lewis reported on the meeting with the Stone-Beck Group and the IPS follow-up recommendations based on the summer workshop. The committee will convene to review and discuss in more detail the proposed recommendations to the IPS and confer with Stone-Beck before presenting to the board a revised IPS for approval.

Ms. Lewis provided a brief portfolio update, reporting as of August 31, 2018, the endowment portfolio value was $40.5 million. Ms. Lewis provided an overview of 2018 withdrawals (scholarships and annual distribution). From January through June, returns were 1.5%. Forecast presented to the committee indicates muted returns, and shared some recommendations to adjust our allocation to increase alternatives to help reduce volatility of the portfolio.

There was a brief discussion on various topics such as scholarship distribution and manager watch, as well as, tactical weightings and Stone-Beck Group’s investment style, and how that will be implemented when minimizing investment risk and maximizing return. Currently, the endowment portfolio is managed with goals for long-term, stable growth governed by a conservative Investment Policy Statement.

Treasurer’s Report – No Report.

Executive Director’s Report – Janet Dial
We Are LA Campaign and University-wide Updates – Dr. Dial shared campaign talking points everyone can use as part of their “elevator speech” when sharing campaign updates with prospective donors. Since its launch in April, the campaign has reached more than $50M, including over $1M gifts from an alumni couple with an anticipated naming ceremony in 2019.
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She included more information about Cal State LA’s designation as an “anchor institution” by the Coalition of Urban and Metropolitan Universities (CUMU). From the thirty-three universities selected nationwide, Cal State LA is one of two universities in California and the only public university.

**Staffing Updates** – Dr. Dial announced Advancement’s 2 new development directors and shared brief bios for both development directors. She also reported of the recent vacancy for the College of Arts and Letters development director, and provided an update on the recruitment for the Associate Vice President for Principal and Planned Giving.

**Other News** – Dr. Dial reported on the 50th Alumni Reunion and Half-Century Club Luncheon (Class of 1968) and Cal State LA at LA Football Club day at the new stadium, which also included an alumni reception. She presented the Zero Tolerance Pledge, created by CASE (Council for Advancement and Support of Education), which our team, and other CSU Advancement teams have adopted. Her hope is to present to auxiliary organizations, such as the Foundation Board and the Alumni Association Board to be aware and adopt this pledge.

Dr. Dial shared several internal documents, including the Campaign Counting Policy and Cal State LA’s naming opportunities ranging from $10K to $20M throughout the university.

Also in their packet was a copy of the Chronicle of Higher Education article that featured the Patricia A. Chin School of Nursing dedication ceremony and Cal State LA. This publication has nationwide distribution throughout all of higher education institution circles.

**Upcoming Events** – The trustees were encouraged to visit the Cal State LA Fine Arts Gallery, which features Self-Help Graphics exhibit featuring alumnus works from “Entre Tinta y Lucha: 45 Years of Self Help Graphics” that had a well-attended opening reception. The exhibit was also a feature venue for Cal State LA’s 50th anniversary of the Chicana(o) and Latina(o) Studies Program whose feature speaker was Dolores Huerta.

The trustees were also encouraged to join at any and all upcoming events listed on the end of the meeting agenda: Alumni Awards Gala (Friday, October 12th); Distinguished Educator Awards (Friday, November 2nd); Aspire to the Sky screening and director’s panel (Saturday, November 3rd); and State Playhouse Grand Re-Opening (November 5th).

**Next Meeting**
The next meeting of the Foundation is scheduled for January 24, 2019.

**Motion to Adjourn**
With no further business, motion to adjourn was made by Omel Nieves and seconded by Janet Dial.

With no further comments, the Trustees conducted a verbal vote and the motion passed.
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Approval of Board Minutes

As President of the Cal State LA Foundation, the draft minutes of the September 27, 2018 board meeting, as presented, have been approved.

Omel Nieves  Date

11/24/19