President’s Report – Omel Nieves
Mr. Nieves welcomed Jacqueline Stepanian from ASI to the Foundation board meeting and facilitated introductions.

Approval of Minutes
The draft minutes of the June 30, 2016, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of June 30, 2016, Board of Trustees, as presented, was made by William Lewis, and seconded by Yoshi Fong.

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

University President’s Report – President William A. Covino
President Covino reported that the fall semester schedule was a smooth transition from quarter system, and now in the 6th week. Approximately 1,000 off-site parking permits have been sold, evidence that the off-site parking location is alleviating some of the parking challenges on campus. Cal State LA received record number of applications for fall semester, and record student enrollment. President Covino reported on the implementation of the new strategic plan and briefly discussed the working groups of the strategic plan priorities; he also mentioned the new ASI President, Kayla Stamps, and their collaborative work to better serve the student community. There are plans for a strong advocacy strategy for the 2017-18 state budget, to address anticipated budget shortfalls. President Covino also announced the naming of “James M. Rosser Hall” formerly, Wing B, to honor President Emeritus James M. Rosser’s 34-year legacy. President Covino recognized the Governance Committee for recruiting new Trustees and bringing forth a slate of nominees to expand the board.
Committee Reports
Audit Committee – Dwight Nakata
Mr. Nakata presented the final draft GAAP report, as prepared by Macias Gini & O’Connell (MGO). The main highlights were that the report was declared “Clean Opinion” and that the assets are up by $10M. There was no opinion from the auditors and the committee recommended Board approval.

Motion to approve the Foundations Audited Financial Statements, ending June 30, 2016, as presented by Macias Gini & O’Connell, was made by Dwight Nakata and seconded by Mongwei Wee.

Joining the board on behalf of MGO was Mark Tillotson. He explained that part of their independent auditor’s process is to invite a third party to review the materials to ensure that the financials are prepared and presented in a “neutral, consistent and clear manner” and reported that there were no disagreements and no opinions to present to the Board. Mr. Tillotson mentioned the “Statement of Functional Expense” a new schedule that will apply to nonprofit organizations beginning next year.

There was a brief discussion of restricted versus unrestricted funds and their respective fundraising strategies.

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

Chancellor’s Office Auxiliary Audit – Dwight Nakata
Mr. Nakata reported that Chancellor’s Office staff are on campus conducting audits on auxiliary organizations and will be on campus through October. These audits are conducted every three years, as the Chancellor’s Office rotates all 23 sister campuses, and are based on CSU policies and the policies implemented by the respective auxiliary organizations.

Development and Gift Acceptance Committee – Jorge Ramirez
Jorge Ramirez reported that the private giving receivable, from July 1 through August 30 was $3,527,611, of which $3,272,535 is earmarked to foundation accounts. Gift commitments (which includes new gifts, new pledges and new testamentary commitments) total was $569,376.

The first fiscal quarter highlights include: Kevin Xu and Dr. Li Li’s second pledge payment towards their naming pledge of The Rongxiang Xu College of Health and Human Services and The Rongxiang Xu BioSpace Innovation Center; Dr. James Rosser’s final pledge payment towards the James M. Rosser Scholar-Athlete Scholarship; the Pat Brown Institute’s grant from the California Community Foundation to fund a policy report and leadership summit involving nine cities in Southeast LA, Hollywood Foreign Press Association’s grant renewal to the College of Arts and Letters, and an endowed scholarship in Theater Studies.

Governance Committee – William Lewis
Mr. Lewis recognized and commended the Trustees for their recommendations and support in the committee’s efforts to bring forth the following slate of nominees for consideration: Larry Adamson, Danielle Ares, Lorraine Bradley, Sergio Gonzalez, Jimmy Hausberg, Alev Lewis, Rosario Marin, Barry Rondinella, Nilza Serrano, and Robert Velasquez. Mr. Lewis noted that their brief profiles are included in the meeting packet.

Mr. Nieves commented on the outstanding slate of nominees and discussed some of the criteria and the process of how the committee compiled these nominees. According to our by-laws, there is still capacity for more Trustees and to please forward any nominees to Mr. Lewis.

Motion to approve the slate of nominees, as presented, by the Governance Committee was made by William Lewis and seconded by Nancy Warter-Perez.

With no further comments, the Trustees conducted a verbal vote and the motion passed, by unanimous vote.
Mr. Lewis commented on the Governance Committee openings, as well as, the openings for Vice President and Secretary. If anyone would like to nominate themselves or another Trustee, then please forward those nominations.

Dr. Dial confirmed there will an orientation prior to the January meeting, while seeking external professional board development activities throughout the new year. Mr. Nieves invited all Trustees to join these internal and external board development/orientation events, as well as, actively engaging with the new Trustees.

**Investment and Finance Committee** – Frank Saito

*Portfolio Update* – The portfolio value ending August 31, 2016, was $30.1M, and YTD earnings of $1.57M. Investment gains trailing three years is $6.39M, and since inception is $11.89M. Total Fund Performance YTD is a positive 5.93%, trailing three years is a positive 6.56%, and since inception a positive 6.42%.

Mr. Saito reported that the committee discussed benchmarks and manager review process. Benchmarks are tracking closely, noting evidence of sound manager selections, resulting in anticipated performance. There was a discussion of managers who will be closely monitored to determine whether they will remain on the portfolio. He discussed the four asset allocations (domestic equities, international equities, alternatives, and fixed income) and their percentages, and reported there were no recommendations for tactical changes at this time.

Mr. Saito led a discussion concerning when the distribution to account holders are transferred. The recommendation is to transfer the funds once the distribution percentage is board approved in the beginning of the calendar year (as opposed to approving in January and then transferring funds in June). The distribution of funds in January will align with the new scholarship timeline, in hopes to present scholarships as a recruiting tool. There was further discussion of reserves in relation to the spending policy and how it is impacted by market conditions.

**Treasurer’s Report** – No Report.

**Executive Director’s Report** – Janet S. Dial

Dr. Dial referred to Alumni events that have already been mentioned throughout the meeting, and reported that Alumni is working to schedule more outreach efforts to continue to engage and re-engage Alumni. For example, there is an event this evening for all former Alumni Association Board members, as well as, a Clippers night for Cal State LA, thanks to one of the new Trustees. There is a broad range of events and activities that are in the planning stages.

Annual Fund has been effective with email solicitations, as well as, mailings. Annual Fund has 25 student callers, and through their efforts, we have reached a new record of just over 4,500 alumni donors, which is being included in the annual Chancellor’s Office report. We will continue to increase our alumni donors.

A brief personnel update included a director of development opening for the College of Natural and Social Sciences. The previous development director is now serving the College of Engineering, Computer Science and Technology. The College of NSS is welcoming a new dean, Pamela Scott-Johnson, and we are looking forward to working with her in our search for a development director for that college.

Other news, there is currently $5M in proposal requests through the efforts of our foundation and corporate relations director. Also mentioned was the importance of our stewardship department, who are responsible not only for events, but more so the annual reports to the donors.
Dr. Dial invited all Trustees to the upcoming annual Billie Jean King & Friends Gala, noting our honorees: President Emeritus James M. Rosser, George Pla, and Steve Garvey. She welcomed the Trustees to contact the foundation office if they would like to attend any (or all) of the events listed at the bottom of the meeting agenda. The next major event is the Alumni Awards Gala on February 3, 2017.

Mr. Nieves urged Trustees to participate and attend university events as their schedule allows, and looks forward to seeing everyone in the new year at the January meeting when the new Trustees will be joining the board. Please stay tuned for orientation details.

**Next Meeting and Adjournment**
The next meeting of the Foundation is scheduled for January 26, 2017. Motion to adjourn was made by Frank Saito and seconded by Nancy Warter-Perez.

With no further comments, the Trustees unanimously concurred to adjourn.
Approval of Board Minutes

As President of the Cal State LA Foundation, the minutes of the September 29, 2016 meeting, as presented, have been approved.

1/26/17

Date

Omel A. Nieves