

California State University, Los Angeles Foundation

BOARD OF TRUSTEES Meeting Minutes

Thursday, April 25, 2019
11:15 a.m.

California State University, Los Angeles
Raquel Soriano Board Room

Present: Larry Adamson, Nelson Algaze, William Covino, Janet Dial, Christopher Koo, Rosario Marin, Dwight Nakata, Omel Nieves, Robert Nissen, Barry Rondinella, Nilza Serrano, Joyce Williams

Absent: Danielle Ares-Duran, Lorraine Bradley, Lisa Chavez, Chris Garlington, Sergio Gonzalez, Lina Hu, Alev Lewis, Veena Prabhu, Leila Ricci, Robert Velasquez

Staff: Robert Avalos, Associate Vice President for Principal and Planned Gifts
Susana Moreno, Fiscal Analyst, University Advancement
Mario Perez, Associate Vice President for University Advancement
Jane Rhee, Administrative Assistant, University Advancement

Guest: Mary Canoy

Omel Nieves called the meeting to order at 11:30 a.m.

Open Session

Mr. Nieves began meeting with open session and welcomed Mary Canoy.

President's Report – Omel Nieves, President

Approval of Minutes

The draft minutes of the January 24, 2019, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of January 24, 2019, Board of Trustees meeting was made by Nilza Serrano and seconded by Barry Rondinella.

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

Resolution: Granting Authority to Open and Close Bank Accounts

Cal State LA has used two banking systems and the initiative is to identify one financial institution for all financial and banking needs for the university and auxiliaries. Wells Fargo has requested a resolution from the Foundation Board of Trustees to open an account with them to proceed.

Motion to approve resolution to authorize the closing of current bank account with Union Bank and to authorize the opening of new bank account with Wells Fargo was made by Omel Nieves and seconded by Sergio Gonzalez. With no further comments, the Trustees conducted a verbal vote and the motion passed.

California State University, Los Angeles Foundation

University President's Report – President William A. Covino

President Covino reported the university is managing a measles incident in conjunction with the Department of Public Health. The Student Health Center continues to work with Public Health and response has been immediate, thorough and effective.

Commencement is nearing with 15 ceremonies. The annual two-day Grad Fair event was crowded with thousands of students picking up their grad packs, tickets and other commencement items.

President Covino discussed the governor's budget and the impact on the shortage of enrollment growth funding at Cal State LA. Currently, Cal State LA has the largest over-enrollment in the CSU system with 5,400 students not funded by the state. The CSU continues to advocate, and Cal State LA will continue to work with community college partners to create pipeline programs and alternative paths to Cal State LA. President Covino shared that the CSU statewide denied 28,000 eligible students last fall enrollment period due to shortage of resources.

The Pat Brown Institute will be honoring Kathleen Brown, one of the honorees, at the annual awards dinner this evening and Mayor Garcetti will be attending the dinner to introduce Ms. Brown. The Civic University, one of the mayor's initiatives from his days at L.A. City Council, has been very successful, and Cal State LA will be pursuing funding to continue this program at the Pat Brown Institute.

Cal State LA underwent re-accreditation in March with the Accrediting Commission for Schools Western Association of Schools and Colleges (WASC) and President Covino will share the reports as soon as they are released.

Committee Reports

Audit Committee – Dwight Nakata

Audit Firm Recommendation – Mr. Nakata reported that the committee met with the finalist firms with the other auxiliary boards on campus and they unanimously agreed to proceed with CohnReznick.

Motion to approve the committee's recommendation to contract with CohnReznick for auditing services for a five-year term, commencing fiscal year 2018-19 was made by Barry Rondinella and seconded by Larry Adamson.

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

2017 Exempt Organization Returns (Form 990, CA Form 199, CA Form RRF-1) – The committee met with MGO and reviewed the 990's and the committee recommends approval of the tax returns for fiscal year July 1, 2017 to June 30, 2018.

Motion to approve the Foundation's 2017 Exempt Organization Returns from July 1, 2017 ending June 30, 2018 was made by Nilza Serrano and seconded by Rosario Marin.

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

California State University, Los Angeles Foundation

Development and Gift Acceptance Committee – Rosario Marin

Rosario Marin reported that the private giving receivables between July 1, 2018 through March 31, 2019 was \$4.9M, with gift commitments total more than \$10M, exceeding Advancement's fiscal year goal of \$10M. Total number of individual donors was 3,157, of which 2,635 were alumni donors.

Ms. Marin shared that the campaign total is \$58.3M toward the \$75M goal, and reported a total of 11,998 donors since the start of the campaign, July 1, 2014.

The faculty and staff campaign has been launched. There is now a component during new faculty and staff orientations where University Advancement will welcome them with a campaign pin and a payroll deduction form as part of their introduction to the university. Student philanthropy is strong with more than 1,100 graduating students making a gift through the purchase of their grad packs to date.

Some recent major gifts include the L.K. Whittier Foundation challenge grant of \$750,000 to the Rongxiang Xu College of Health and Human Services to raise support for their Virtual Reality Simulation Laboratory; an endowment of \$100,000 to the College of Business and Economics' Professional Fundamental program; a pledge of \$52,500 from the California Scottish Rite Foundation; grant award of \$325,000 from the Keck Foundation to fund the Innovation and Design Center; \$75,000 from the James Irvine Foundation to the Pat Brown Institute to fund their polling of African American voters in Los Angeles; an additional \$500,000 provision from an anonymous donor toward an already named endowed fund from her estate; and, an alumnus and emeritus faculty member and his alumna wife have informed us of a provision in their estate to leave \$1,000,000 toward scholarships.

Governance Committee – Barry Rondinella

No report at this time.

Investment and Finance Committee – Alev Lewis

Investment Policy Statement – On behalf of the committee, Nilza Serrano reported that the finalized Investment Policy Statement will be forwarded to the full board for final review and approval via electronic vote. The new statement will align the foundation asset allocations with other institutions with comparable endowments.

Portfolio Update – On behalf of the committee, Christopher Koo reported that the portfolio value ending March 31, 2019 was \$41.1M, an increase from December 31, 2018.

Treasurer's Report – Joyce Williams

Unaudited Financial Statements, ending March 31, 2018 – Beginning with the Summary Sheet, Ms. Williams reported total inflows of \$4.3M and total outflows of \$7.8M. Total ending balance was \$57.5M. Reviewing the Statements of Financial Position (balance sheet), total liabilities and net assets of \$58M are mostly endowments and pledge receivables, of which the details are included. The Statements of Activities (income statement) outlines the details of the Summary Sheet. There was a discussion to include a budget line item for "Community Engagement" expenses when creating budgets moving forward. There was also a discussion of how social media has been used as a giving platform and how we can utilize social media for future giving opportunities.

California State University, Los Angeles Foundation

Executive Director's Report – Janet Dial

We Are LA Campaign and University-wide Updates – Dr. Dial reported there are two development director openings, one for the College of Business and Economics, and the other for the Rongxiang Xu College of Health and Human Services. There is a third vacancy for a newly created position, the Associate Director of Corporate and Foundation Relations.

In the spirit of building a culture of philanthropy, more of the alumni events will include a gift to the university. Two examples are the Los Angeles City Hall Alumni Reception and the Cal State LA Dodger Night. She also shared two upcoming signature campaign events, both being hosted by alums in fall 2019; one in the Orange County area for Orange County alums and friends, and one in downtown San Francisco for Bay Area alums.

Next Meeting

The next meeting of the Foundation is scheduled for June 27, 2019.

Motion to Adjourn

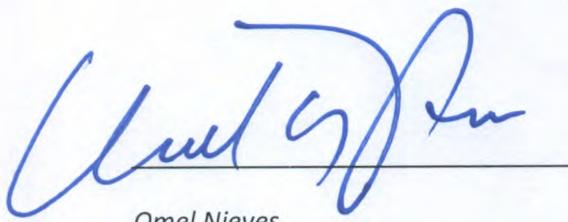
With no further business, motion to adjourn was made by Rosario Marin and seconded by Omel Nieves.

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

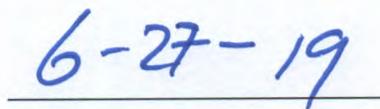
California State University, Los Angeles Foundation

Approval of Board Minutes

As President of the Cal State LA Foundation, the draft minutes of the April 25, 2019 board meeting, as presented, have been approved.

A handwritten signature in blue ink, appearing to read "Omel Nieves", written over a horizontal line.

Omel Nieves

A handwritten date "6-27-19" in blue ink, written over a horizontal line.

Date