

California State University, Los Angeles Foundation

BOARD OF TRUSTEES Meeting Minutes

Thursday, June 27, 2019
11:15 a.m.

California State University, Los Angeles
Raquel Soriano Board Room

- Present: Nelson Algaze, Lorraine Bradley, Lisa Chavez, Chris Garlington, Sergio Gonzalez, Lina Hu, Alev Lewis, Janet Dial, Rosario Marin, Dwight Nakata, Omel Nieves, Robert Nissen, Barry Rondinella, Nilza Serrano
- Absent: Larry Adamson, Danielle Ares-Duran, William Covino, Christopher Koo, Veena Prabhu, Robert Velasquez, Joyce Williams
- 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

Omel Nieves called the meeting to order at 11:25 a.m.

President's Report – Omel Nieves, President

Approval of Minutes

The draft minutes of the April 25, 2019, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of April 25, 2019, Board of Trustees meeting was made by Nelson Algaze and seconded by Barry Rondinella.

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

Approval of the Investment Policy Statement, Amended and Restated May 1, 2019

Mr. Nieves presented the *Investment Policy Statement, Amended and Restated May 1, 2019* on behalf of the Investment and Finance Committee's recommendation for board approval. This has been forwarded to the board for final review and approval following the April board meeting.

Motion to approve the *Investment Policy Statement, Amended and Restated May 1, 2019*, effective May 1, 2019 was made by Alev Lewis and seconded by Nelson Algaze.

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

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Committee Reports

Audit Committee – Dwight Nakata

GAAP Audit Update – Mr. Nakata reported that the new audit firm, Cohn Reznick, is working on the audited financial statements with the staff and management at Cal State LA. Mr. Nakata hopes to provide a final draft at the September board meeting.

Development and Gift Acceptance Committee – Rosario Marin

Rosario Marin deferred to Janet Dial, who reported that the private giving receivables ending May 31, 2019 was \$6.2M, of which \$3.7M earmarked to the Foundation. Total gift commitments is more than \$11M, exceeding Advancement's fiscal year goal of \$10M. Total number of individual donors are 5,150, exceeding our goal of 5,000. Nearly 1,600 students donated to commemorate their graduating class in the amount of \$20.19. Student philanthropy has increased since Advancement began this student campaign several years ago.

Dr. Dial shared that the campaign total is \$60M toward the \$75M goal. The final figures for the fiscal year will be announced at the next board meeting after gifts have been reconciled. Campaign total donor count is 12,959 individuals since the beginning of the We Are LA campaign.

The most recent gift not included in the \$60M campaign total was a \$750,000 grant from the Andrew W. Mellon Foundation towards the Lancaster Prison Program, the only in-person program in the nation offering classes for incarcerated students to earn their bachelor's degree in Communications. There are currently 40 students enrolled. Other notable gifts included a \$200K gift from an emeritus faculty member who has informed us of a provision in their estate to endow a math scholarship in the College of Natural and Social Sciences. A scholarship for student athletes was established, which will include internship opportunities after graduation with the scholarship donor. Foundation office received the first payment of \$75K of the second year grant amount of \$150K for the Verizon Innovative Learning Minority Males Program. There was a pledge from a corporate donor in the amount of \$120K to fund the volleyball program in Intercollegiate Athletics. A faculty member from the Criminal Justice and Criminalistics department received the Doris Duke Fellowship Research to Action Grant award in the amount of \$80K. An emeritus faculty member from the College of Arts and Letters established an endowment to the theatre arts and another emeritus faculty has arranged for a charitable gift annuity to support their named endowed scholarship fund.

Governance Committee – Barry Rondinella

Acknowledgements – Mr. Rondinella acknowledged those trustees whose service will be ending on June 30, 2019 – Christopher Koo, ASI, Inc. President Designee; and faculty trustees, Robert Nissen and Leila Ricci. The committee will work with the respective nominating committees from ASI, Inc. and the academic senate to present new trustees for board consideration at the September board meeting.

Committee Chair Appointments for FY 2019-20 – Pursuant to By-Laws Article VII, Mr. Rondinella presented Foundation President Nieves' slate of nominees for committee chair appointments to serve FY 2019-20: Audit Committee – Dwight Nakata; Development and Gift Acceptance Committee – Rosario Marin; Governance Committee – Barry Rondinella; and Investment and Finance Committee – Alev Lewis.

Motion to approve the committee chair appointments for FY 2019-20 was made by Omel Nieves and seconded by Alev Lewis.

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

Election of Officers for FY 2019-20 – Mr. Rondinella presented the officer nominees to serve FY 2019-20: President – Omel Nieves; Vice-President – Larry Adamson; Treasurer – Joyce Williams. Mr. Nieves was excused from the meeting room.

Motion to elect these nominees to serve as president, vice president and treasurer respectively, was made by Rosario Marin and seconded by Robert Nissen.

It was clarified that the treasurer is an appointment by the university chief financial officer, ratified by the board. Joyce Williams was appointed and ratified by the board and will serve in this capacity pursuant to the foundation By-Laws.

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

Mr. Nieves was invited to return to the board meeting room.

Bylaws Revision – Mr. Rondinella shared that one of the goals of the Governance Committee will be reviewing and updating the foundation By-Laws. The committee will present a draft when it becomes available for review and approval.

Secretary Nominations – Mr. Rondinella reported there is a vacancy for the Secretary position and will be accepting nominations for the committee's consideration. He asked the board to submit nominations or interest to his attention.

Committee Appointments – Mr. Rondinella presented the committee appointments for FY 2019-20. The trustees reviewed their appointments for the coming year.

Motion to approve the committee appointments for FY 2019-20 was made by Rosario Marin and seconded by Omel Nieves.

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

Investment and Finance Committee – Alev Lewis

Ms. Lewis reported that the Stone-Beck Group is now known as the Jewel City Group.

Portfolio Update – Ms. Lewis reported on the highlights of the market economy and its impact on the endowment portfolio, concluding there is more overweight to bonds as a defense strategy. Year to date ending May 31, 2019, the endowment portfolio value was \$41M.

Investment Policy Statement – Ms. Lewis reported that the approval of the Investment Policy Statement will allow Jewel City Group to move forward with the readjusted asset allocations. They were aligned with comparable endowments based on NACUBO. There is a workshop scheduled for September 9, 2019 to discuss alternative

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investment options. Ms. Lewis invited non-committee trustees to attend the workshop that will be hosted by Jewel City Group at their Pasadena office located on Lake Avenue.

Operating Budget for FY 2019-2020 – Ms. Lewis reported on the proposed operating budget for FY 2019-2020 as presented by management. She reported that the committee has reviewed the proposed expenses and recommend board approval.

Motion to approve the operating budget for fiscal year 2019-2020 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 – Joyce Williams

Unaudited Financial Statements, ending May 31, 2019 – On behalf of Ms. Williams, Lisa Chavez presented the unaudited financial statements for the 11 of the 12 months of the fiscal year 2018-19. Ms. Chavez reported total inflows of \$4.3M, comprised of investment earnings, and gifts and contributions. Total outflows were \$8M, mostly comprised of the BioSpace construction. The ending fund balance was \$57.3M. She proceeded to present the Statements of Financial Position (balance sheet), Statements of Activities (income statement) including detailed pledge receivables. *Total assets* were equal to *Total liabilities & net assets* of \$61.4M.

Executive Director's Report – Janet Dial

We Are LA Campaign and University-wide Updates – Dr. Dial reported on the naming ceremony of the Ronald H. Silverman Fine Arts Gallery. Dr. Dial reported on the Alumni Association Board of Directors meeting earlier this week, noting there will be a new Alumni Association President effective July 1, 2019. She also shared that Vice President Adamson has been elected to serve as the Alumni Trustee for the CSU Board of Trustees. Other news included development director vacancies. She introduced Dr. Mika Cho, Director of the Ronald H. Silverman Fine Arts Gallery and invited the trustees to explore and visit the current exhibit, Billie Weisman's *Pop Culture*, comprised of Weisman's loaned items to Cal State LA.

Annual Documents – Staff provided trustees with the following annual documents for review and signature: conflict of interest policy, volunteer appointment form, confidentiality statement, donor bill of rights and code of ethical standards, and a new virtual parking permit application.

Next Meeting

The next meeting of the Foundation is scheduled for September 26, 2019.

Motion to Adjourn

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

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

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Approval of Board Minutes

As Secretary of the Cal State LA Foundation, the draft minutes of the June 27, 2019 board meeting, as presented, have been approved.



Danielle Duran

9/26/2019

Date