

# California State University, Los Angeles Foundation

## **BOARD OF TRUSTEES Meeting Minutes**

Thursday, June 25, 2020  
11:15 a.m.

California State University, Los Angeles  
Zoom Meeting

**Present:** Larry Adamson, Lorraine Bradley, Lisa Chavez, William Covino, Janet Dial, Danielle Ares-Duran, Chris Garlington, Sergio Gonzalez, Alev Lewis, William Lewis, Rosario Marin, Dwight Nakata, Omel Nieves, Veena Prabhu, Robert Velasquez

**Absent:** Jacquelyn Acosta, Nelson Algaze, Emilio Campos, Merridith Chou, Rachel Friedman, Robert Nissen, Lina Hu, Jorge Ramirez, Barry Rondinella, Nilza Serrano, Joyce Williams

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

Omel Nieves called the meeting to order at 11:19 a.m.

### **President's Report** – Omel Nieves, President

#### **Approval of Minutes**

The draft minutes of the April 23, 2020, Board of Trustees meeting was presented for review and approval.

Motion to approve the draft minutes of the April 23, 2020, Board of Trustees meeting was made by Veena Prabhu and seconded by Lorraine Bradley.

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

### **Committee Reports**

#### **Audit Committee** – Dwight Nakata

Mr. Nakata reported that the preliminary field work for the audited financial statements ending June 30, 2020 has begun, noting the audit process will be conducted entirely remotely. The Audit committee anticipates the draft audited financial statements in early September for review. The committee will have a final version to present to the board for approval prior to forwarding to the Chancellor's Office.

#### **Development and Gift Acceptance Committee** – Rosario Marin

*Fundraising Report Ending May 31, 2020* – Ms. Marin reported that private giving receivables ending May 31<sup>st</sup> was \$7,485,127, of which \$5,656,584 was earmarked to the foundation restricted accounts. Total philanthropic productivity commitments were \$12,159,041, which was 121% of the fiscal year goal. As of June 23, 2020, we have raised \$74,754,551 towards the \$75M campaign goal.

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Some fourth quarter highlights included a realized bequest of more than \$1.5M that was originally established in 2010. From this bequest, \$700,000 will name the Yoshie and Yoshiharu Ohara Virtual and Augmented Reality Learning Lab in the School of Nursing. The Rios estate remaining funds of more than \$690K were received. Gifts from emeriti faculty included a new endowment by Dr. Fisher-Hoult, a new scholarship fund for the College of Natural and Social Sciences by Dr. Costello Brown, and a new scholarship fund established by Dr. Schaeffer.

Governance Committee – Janet S. Dial

Acknowledgements – On behalf of Barry Rondinella, Dr. Dial acknowledged those trustees who will be leaving the board on June 30, 2020: Jacquelyn Acosta (A.S.I. president AY 2019-2020), Merridith Chou (student trustee AY 2019-2020), Robert Nissen (faculty trustee), and Veena Prabhu (Academic Senate Chair).

New Trustees effective July 1, 2020 – Trustees joining the board effective July 1, 2020 are as follows: newly appointed Academic Senate Chair, Talia Mae Bettcher; Associated Students, Inc (A.S.I.) president for AY 2020-21, Diana Chavez; and, a new student trustee who will be presented in the fall semester.

New Faculty Trustee – The Academic Senate Nominations committee has nominated Devika Hazra, an assistant professor of economics from the College of Business and Economics, to serve as a faculty trustee on the board for one 3-year term.

Motion to accept the Academic Senate Nominations committee nominee, Devika Hazra, to serve as faculty trustee, effective July 1, 2020, was made by Larry Adamson and seconded by Rosario Marin.

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

Committee and Chair Appointments for Fiscal Year 2020-21 – Trustees were presented the proposed committee directory for the new fiscal year, including committee chairs for FY 2020-21: Dwight Nakata for Audit Committee; Rosario Marin for Development and Gift Acceptance Committee; Barry Rondinella for Governance Committee; and, Alev Lewis for Investment and Finance Committee.

Motion to approve committees with appointed committee chairs for the fiscal year 2020-21, as presented, was made by Larry Adamson and seconded by Veena Prabhu.

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

Trustee and Officer Re-election for Fiscal Year 2020-21, Omel Nieves – Mr. Nieves was excused to a breakout room. Dr. Dial presented Omel Nieves for re-election to serve as trustee and board president for fiscal year 2020-21.

Motion to re-elect Omel Nieves to serve on the board as trustee and board president for fiscal year 2020-21, effective July 1, 2020, was made by Lorraine Bradley and seconded by Rosario Marin.

With no further comments, the Trustees conducted a verbal vote and the motion passed. Mr. Nieves returned to the main zoom meeting room.

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## Officer Re-elections for Fiscal Year 2020-21

Vice President Nominee, Larry Adamson – Mr. Adamson was excused to a breakout room. Dr. Dial presented Larry Adamson to continue to serve as vice president for fiscal year 2020-21.

Motion to re-elect Larry Adamson to serve as vice-president for fiscal year 2020-21, effective July 1, 2020, was made by Veena Prabhu and seconded by Lorraine Bradley.

There was a brief discussion of Mr. Adamson's leadership role on the foundation board while simultaneously serving on the systemwide CSU Board of Trustees as the Alumni Trustee. It was commented there was no financial gain to serve on either board in any capacity, whether serving on one board and/or simultaneously on both boards. His role as Alumni Trustee is a representative position of all CSU alums on the systemwide Board of Trustees. It was concluded they would proceed with the motion and election, contingent there is no conflict. If a conflict exists, the trustees will be notified.

With no further comments, the Trustees conducted a verbal vote and the motion passed. Mr. Adamson was returned to the main zoom meeting room.

Secretary Nominee, Danielle Duran – Ms. Duran was excused to a breakout room. Dr. Dial presented Danielle Duran to continue to serve as secretary for fiscal year 2020-21.

Motion to re-elect Danielle Duran to serve as secretary for fiscal year 2020-21, effective July 1, 2020, was made by Sergio Gonzalez and seconded by Lorraine Bradley.

With no further comments, the Trustees conducted a verbal vote and the motion passed. Ms. Duran was returned to the main zoom meeting room.

## Investment and Finance Committee – Alev Lewis

Portfolio Update – Ms. Lewis reported that the Jewel City Group provided an overview of the economic market. She reviewed the endowment's executive summary, reporting the portfolio's value ending May 31, 2020, including the year-to-date net contributions and withdrawals. Portfolio has captured the upside in the recovering market. Excluding the net contributions, the portfolio is down slightly. The 10-year annualized performance is 6.67%. Ms. Lewis reviewed the under and overweight within the asset allocation summary and the top and lowest manager performers. She reported the committee discussed the alternative funds that were newly added to the portfolio.

Amended Investment Policy Statement (IPS) for the Endowment Fund – Ms. Lewis presented to the board the draft IPS that was approved by the committee for the board's consideration. Revisions in the new draft included: lower and upper limit changes in the asset allocation; updating the definition of Master Limited Partnership (MLPs) to 'Energy and Natural Resources' to align with NACUBO; and, to increase illiquid securities from 10% to 20% to align with the alternatives upper limit.

Motion to approve the draft IPS with committee recommendations, as presented, was made by Alev Lewis and seconded by Rosario Marin.

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

## **Treasurer's Report** – Lisa Chavez

*Unaudited Financial Statements ending May 31, 2020* – On behalf of Ms. Williams, Ms. Chavez reported on the financial summary ending May 31<sup>st</sup> with investment earnings of \$533,905, and gifts and contributions of \$5,533,244. The outflows including operating, investment, scholarships and campus program distributions totaled \$3,222,538, for a resulting net flow of \$2,844,611. The opening fund balance was \$59,297,805 with an ending fund balance of \$62,142,416.

Ms. Chavez proceeded to review the *Statement of Activities, Statements of Financial Position, and the Detailed Statement of Activities*, and noted budget continues to remain on target for the remaining month of the fiscal year.

*Operating Budget for Fiscal Year 2020-21* – Ms. Chavez presented the proposed foundation operating budget for FY 2020-21 in the amount of \$504,819. This is 2% less than the current fiscal year budget of \$505,657.

Motion to approve the operating budget for FY 2020-21 in the amount of \$504,819, as presented, was made by Larry Adamson and seconded by Sergio Gonzalez.

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

## **University President's Report** – William A. Covino

University President Covino reported on CNN's coverage of Cal State LA's community food distribution event that morning being held on campus through a partnership with LA Regional Food Bank, Los Angeles County Supervisor Hilda Solis, and other community partners, to provide each family with 80 pounds of food and various other household items, such as diapers and wipes, to families in need.

The CSU systemwide is anticipating a 7.5% reduction for the upcoming 2020-21 fiscal year and there may be significant budget impact for future fiscal years. Due to the large student population of eligible Pell grant students at Cal State LA, there will be minimal impact on financial aid for the student population.

Exercising abundant caution and following all public health guidelines, Cal State LA has received approval to provide nursing and teaching credential students in-person instruction that is required for degree completion. All other academic instruction for fall 2020 will be virtual. There is strong fall enrollment despite the academic year going virtual. Virtual orientations for new students are underway with strong attendance. Efforts through the past year to increase African American student enrollment has resulted in almost 200% increased enrollment of African American students this academic year compared to last fall semester enrollment.

President Covino reported there was a favorable decision regarding DACA students, but understands our students are still threatened and noted there is continued advocacy efforts and support for DACA students.

Ms. Marin commented that the board of trustees need to continue efforts to maintain a diverse board to reflect the student population and to attract and maintain a diverse student population.

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## **Executive Director's Report** – Janet Dial

*We Are LA Campaign and University-wide Updates* – Dr. Dial reported on the CARES monies distributed in collaboration with offices of Financial Aid and Student Life. Grant monies were also provided for DACA and international students. Any student was eligible to apply for emergency grants funds with the office of Student Life.

Dr. Dial acknowledged the Alumni office and their virtual webinars they have hosted on LinkedIn. More than 500 people attended these zoom webinars. She also reported that People Grove, the mentor/mentee platform now has more than 2,500 mentors registered for existing students and alums to connect with each other.

Now that the university is close to reaching it's \$75M goal for the We Are LA campaign, Dr. Dial reported that the team will be working on strategies to reach \$100M before the campaign closes June 2022, when we celebrate the 75<sup>th</sup> anniversary of Cal State LA.

## **Next Meeting**

The next meeting of the foundation board is scheduled for September 24, 2020 via Zoom.

## **Motion to Adjourn**

With no further business, motion to adjourn was made by Veena Prabhu and seconded by Sergio Gonzalez.

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

Meeting adjourned at 12:42 pm.