The CSU Channel Islands (CI) Foundation Board met on Tuesday, December 2, 2014 at the Santa Barbara Zoo in Santa Barbara, CA. President Rush called the meeting to order at 5:57 p.m.

**Members Present:**
Ed Birch  
Henry Dubroff  
Janet Garufis  
Mark Hartley  
Ralph Iannelli, Jr.  
Bill Kearney  
Douglas McRae  
Claudio Paiva, Faculty Rep.  
Neil Paton  
Emilio Pozzi  
Richard Rush, University President  
Sara Sanders, Student Rep.  
Peter Wollons

**CI Representatives:**
Nichole Ipach, Vice President, University Advancement  
Danielle Quillan, Development & Special Projects Asst.  
Elizabeth Rubalcava, Dir. Advancement Special Projects

**Members Absent:**
Hugh Cassar  
Ann Deal  
Robert England  
Christine Garvey  
Larry Hibbler  
Hank Lacayo  
George Leis  
John Notter  
John Ridgway  
Blaise Simqu  
Scott Zolke

**Welcome**
President Rush welcomed everyone and conveyed regrets for George Leis who was unable to attend due to heavy traffic out of LA. He explained that Mark Hartley graciously agreed to fill in as chair in place of Mr. Leis.

Mr. Hartley began the meeting by greeting everyone and introducing Rich Block, CEO of the Santa Barbara Zoo. The Santa Barbara Zoo is a key partner of the University on such programs as the Santa Rosa Island Research Station and an interdisciplinary course titled “The Zoo: Conservation, Education and Recreation” which focuses on the study of zoos and zoological gardens from scientific, managerial, business, recreational and educational perspectives. Mr. Block thanked the board members for their support of the CI/Santa Barbara Zoo course and announced that CI has been a partner with the Zoo for over a decade.

**Past Meeting Minutes**
Mr. Hartley called for a motion to approve both the August 22, 2014 Regular Board meeting minutes & the November 1, 2014 Special Board meeting minutes. Ed Birch motioned first, and Henry Dubroff seconded the motion to approve both minutes as presented. All members present concurred and the motion carried (Motion #14-130).

**President's Report**

President Rush reported that the progress on Sierra Hall continues. Anyone interested in a hard hat tour in the coming months was asked to contact Nichole Ipach or President Rush.

On November 24th there was a groundbreaking for the new phase of student housing - which will provide 600 additional beds. The project is expected to be completed by fall of 2015.

President Rush also reported that Jones Lang LaSalle (JLL) delivered some possible scenarios for the CI 2025 campus build-out plan, all of which look promising. For example, one such scenario involves selling existing townhomes and apartment buildings and after the sale, JLL is reporting, conservatively, that CI could be looking at raising $168,000,000 from those sales. However, the Chancellor's Office did not allow us on the Board of Trustees (BOT) agenda in order to have them vote on conceptual approval of the plan. We are seeking to place this item on the agenda for the January BOT meeting.

The campus opened the new state-of-the-art FIT (Faculty Innovations in Teaching) lab for faculty. If anyone is interested in a tour of the new FIT lab, they were encouraged to reach out to Mrs. Ipach or Dr. Rush.

Several faculty and students have been recognized recently for their great work. For example, Prof. Larry Lytle's book review was featured on the cover of the LA Times and several of Prof. Liz King's students received awards at the CSU Media Arts Festival.

President Rush also acknowledged Scott Zolke (not present) for speaking at the MVS Speaker Series in October. It was a wonderful event and very well attended. Many have said that Mr. Zolke was the best presenter that they have heard as a part of the speaker series to date.

Moreover, the campus recently hosted Justice Sandra Day O'Connor (Ret.) on October 30th. Nearly 600 people attended the event. We received front page publicity in the Ventura County Star despite Bill Clinton’s visit to Oxnard College for the Julia Brownley event the day before. The Justice O'Connor Lecture was a tremendously successful event. Special thanks to Ralph Iannelli and Christine Garvey (not present) for their help in making this event happen.

In closing, President Rush invited everyone present to attend his and Jane's Holiday Open House, Sunday, December 7th from 11 a.m. until 4 p.m.

**Chair's Report**

Mr. Hartley, on behalf of Mr. Leis, acknowledged both John Notter (not present) for his service as Vice Chair, who will be remaining on the board, and Neil Paton who is retiring from both the Board and from his position as Secretary. He thanked both of them for their service and asked for a round of applause as a gift was handed to Mr. Paton. In addition, John Ridgway (not present) is terming off the Board as well. He has also reached the limit of his second term on the Board and was thanked for his service.
Next item was the approval of Slate of Officers for 2014-2015 with notification that the Vice Chair seat is still vacant and that Larry Hibbler, currently the assistant secretary, has agreed to serve as Secretary. Mr. Hartley asked for a motion for approval of the slate. Mr. Dubroff motioned first, and Emilio Pozzi seconded the nomination for secretary. All present concurred and the motion was passed (Motion #14-131).

A roster with each member's terms was provided in the packets distributed at the meeting to those present. Everyone was asked to review the information for accuracy. Several board members were recognized for completing their first term and for beginning their second term: Ed Birch, Hugh Cassar, Ann Deal, Janet Garufis, Mark Hartley, Bill Kearney, John Notter, and Emilio Pozzi. All were thanked for their service.

A worksheet was circulated showing which members are serving on specific committees. If you would like to join a committee please contact Ms. Ipach or Elizabeth Rubalcava.

There is a minor change required to the dissolution clause of the Articles of Incorporation and By-Laws. The previous audit performed by the Chancellor's Office requires minor changes to both documents. The dissolution clause section will now read "the Board should work closely with CI "President" and "Chancellor" rather than what it currently states. Also, Steve Blois' name needed to be replaced by George Leis' name in the Articles of Incorporation. Approval of Amendment to Articles of Inc. and Bylaws was first motioned by Bill Kearney and seconded by Peter Wollons. The amendments were approved by all present and the motion carried (Motion #14-132).

Finance Committee Report
Doug McRae reported on business discussed at the most recent Finance Committee meeting. Our Beacon Pointe representative provided a report on the University's endowment. He explained that although diversification continues to be the preferred model of asset allocation, due to unique market factors, this philosophy has not provided favorable returns over the last five years. As of September 30, the market value of the endowment was $11,509,633, showing an annual rate of return of 6.8% since its November 2002 inception. The policy index during this same time frame was 7.8%.

The Committee also discussed the Smith Foundation $9M donation to build the MVS School of Business. Approximately $1.6M of the funds are currently classified as temporarily restricted. The Committee approved a recommendation to have the funds transitioned to the endowment fund pool, which will then function as a quasi-endowment. This will result in a greater return on the investment.

With regard to the Foundation's financials for period ending September 30, Mr. McRae noted the following: $100k of the $250k deferred revenue, reflected on the Statement of Net Assets Current Liabilities, will be applied toward grant revenue. The Statement of Activity Compared to Budget shows revenues exceeding budget while expenses were less than projected. Overall, year-to-date actuals show total revenues have decreased 38.8% as compared to the prior year. Total expenditures through September have decreased 6.6% compared to the prior year.

Rabobank provided the Committee with an investment summary of the Lagomarsino CRAT. The account began the year with a total of $708,886, and so far this year's distributions have
been $46,140. The agreed upon investment strategy is currently 22% fixed income, 8.5% alternatives, and 65% equity. As of September 30, 2014, the account totaled $678,110.

The Report of the Foundation’s Audited Financials ending June 30th was included in the board packets mailed out prior to this meeting. It was a clean audit with no significant findings. Mr. McRae called for a motion to approve the audited financials. Ralph Lannelli was the first to motion for approval, Ed Birch seconded the motion (Motion #14-133). The motion was approved by all present.

And lastly, the Committee put forward a formal recommendation (included in the meeting packet) by Ms. Ipach which requests the transfer of $100k from the CSU Channel Islands Foundation reserves into operations. This money will be used to fund proposals by the CI faculty in support of high-impact educational programs. The Committee asked that project outcomes be reported to the Board at a future meeting when appropriate. Mr. McRae concluded his remarks and invited Mrs. Ipach to explain further. She highlighted some of the projects and explained that prior to the end of the fiscal year, the Board will receive project updates from her. The Board also discussed the reporting criteria and how the faculty projects were selected and expressed an interest in being included in the selection process.

In addition, President Rush stated the need to weigh in on this item personally because, as with any organization, there is very little discretionary funding. He reiterated the purpose for raising unrestricted dollars and emphasized that this discretionary fund was intended to be utilized at the discretion of the President for the highest needs of the University. Because we have reached a point of surplus and due to the general lack of state support for the past two years, there are few opportunities to support faculty who are doing very sophisticated work and involving students in their research. For this reason, he authorized the Provost to spend $100,000 for such faculty projects as teen taught courses, undergraduate research, and research trips for students with faculty. Dr. Rush responded to questions from several board members and closed by saying that he sees this as a flexible fund that can be used at the President’s discretion for short term projects.

Mr. McRae called for the approval for disbursement of funds which would amend the budget for the 2014/2015 fiscal year. After a brief discussion, Ed Birch was the first to motion for approval, and Peter Wollons seconded the motion (Motion #14-134). All present agreed and the motion was passed.

Board Development Committee
Mark Hartley reported on the most recent Board Development Committee meeting. He noted that the item on the agenda (Motion #14-135) needed to be stricken. The approval to vote in a new candidate is not ready to happen at this time. Mr. Hartley went on to explain that the proposed candidate is interested in being a part of the board but that the candidate would like to first attend a meeting to experience the culture of the board and to meet the other members. Mr. Hartley reminded everyone of the importance of recruiting new members in order to grow the Board. He asked that members bring forward additional candidates for consideration.

Campaign for CI
Janet Garufis took on reporting for the Campaign Council in Mr. Leis’ absence. The Council consists of Larry Hibbler, Janet Garufis, George Leis, Peter Wollons, Dr. Rush and Mrs. Ipach.
The Campaign Council met on November 24th and their objective was twofold: 1. To identify a campaign goal and timeline in reaching that goal. 2. To identify the key points of a case for support.

The Council recommended moving forward with a quiet campaign initially based on the findings of the Pre-Campaign Planning and Feasibility Study. While the case for support will include Internships/Scholarships, Athletics and an Engineering Program, the Council is looking into defining more clearly the Wellness/Recreation Center to ensure that it’s a strong component that will receive support from the community. It was suggested by Mr. Dubroff that some key alumni should be included on the Council, such as Veronica Kusmik and Cory Pironti.

In addition, Mr. Hartley explained that before proceeding with a campaign we need to have full commitment from every board member with regard to financial and volunteer contributions. Pledge forms were included in the meeting packets. He added that either Mr. Leis, Mrs. Ipach and/or Dr. Rush would be reaching out to members personally in the coming weeks.

University Advancement Report
Mrs. Ipach reported on significant fundraising activity and highlighted the following items in her remarks:

- Philanthropic Productivity Report, submitted every October to the Chancellor's Office: Out of 23 campus, sectioned out into three peer groups, CI is placed in Peer Group I for the FY 2013/2014 for total amount of gift commitments brought in ($5.8 million) through new gifts, pledges, planned gifts, etc. CI out-ranked CSU LA, Dominguez Hills, East Bay, Stanislaus, and a few others.

- This year University Advancement's fundraising goal was $3 million and we've already surpassed that by raising close to $4 million by mid-fiscal year.

- The Foundation received a $75,000 grant from Amgen for STEM classes with an intent to partner over a longer period of time. In addition, the Foundation received $20,000 from Sage Publications for funding the student research program again this year.

CI Santa Barbara Webpage

- The webpage is still in progress. The goal is to highlight the programs in Santa Barbara with our partners. A Beta Site is coming soon.

Review of Recent Events

- Dodger Day: Over 1,000 people were in attendance with 16 full buses. Ventura County Naval Base and CSU Northridge expressed an interest in using our event as a model to do the same within their organizations.

- President’s Dinner: Mrs. Ipach thanked Jane Rush for spearheading the event that she and the Dinner Committee put on in October. We received great reviews from attendees and the hotel staff.

Old/New Business
Mr. Hartley asked for the final motion to approve the dates for upcoming board meetings on the 2015 Calendar of Meetings included in the packets. Peter Wollons motioned first, Bill Kearney seconded the motion. All present agreed and the motion was approved (Motion #14-135).
Adjourn
Mr. Hartley asked for a motion to adjourn. Neil Paton was the first to motion, and Janet Garufis seconded the motion. The meeting adjourned at 7:06 p.m.

APPROVED:

4/29/2015

Date

Larry Hibbeler, Secretary