I. WELCOME
George Leis opened the meeting at 9:40 a.m.
   a. Mr. Leis began by thanking Zohar Ziv and his wife for opening their home to the
      Foundation Board for its Annual Retreat and Meeting.
   b. The Board acknowledged President Rush’s recent retirement announcement. Many
      kind words were said about the President’s tenure at CI.

II. APPROVAL of MINUTES
   a. Approval of April 29, 2015 regular Board meeting minutes (Motion # 15-143).
      i. Doug McRae motioned to approve, Peter Wollons seconded the motion, with all
         in favor, the motion carried unanimously.

III. PRESIDENT’S REPORT
   a. President Rush thanked everyone for their kind words regarding his retirement
      announcement. He touched on his reasons for retiring and outlined the presidential
      search process.
      i. Reasons for his retirement
         1. Natural transition: CI achieved WASC reaccreditation for 9 years. Good,
            long time to develop new programs and grow the University.
         2. Legislation passed for the new era for CI: In March 2015 the Board of
            trustees has approved the campus build out plan.
         3. Personal/family.
      ii. Process for the search of the new President
         1. Isaacs & Miller firm out of San Francisco will lead the national search for a
            new President of CSU Channel Islands.
2. Presidential Search Advisory Committee meetings/hiring timeline:
   - 1. Held on CI's campus in November 2015
   - 2. Held on campus in January 2016
   - 3. Meeting with the final candidates in February 2016
   - 4. Meeting with the CSU Board of Trustees to finalize the selection in March 2016

3. A letter was distributed to solicit nominations for the Presidential Search Committee members. There will be a few people from CI's campus, as well as several CSU Trustees that will make up this committee. Campus members will be appointed based on the list below:
   a. Chair of the Academic Senate
   b. Student Representative
   c. Alumni Representative
   d. Foundation Board Representative

4. President Rush will have little to no involvement with the process or the transition of the new, incoming president. This is standard practice in the CSU system.

5. If a new president is appointed in March, then that person will start on July 1, 2016. Thus, President Rush’s last day will be June 30, 2016.
   a. If there is a lag in the timing of hiring a replacement, there will likely be an interim appointed until a new president is selected.

b. New member introductions: faculty and student representative
   i. Dr. Cindy Wyels – Professor of Mathematics (CI Faculty Representative)
   ii. Alex Yepez –Chair, Associated Students, Inc. (CI Student Representative)

c. Recent accomplishments and upcoming events:
   i. Sierra Hall Grand Opening and Ribbon Cutting Ceremony on Sept. 15.
   ii. Construction projects: Santa Rosa Student Housing and Islands Café expansion projects are moving along and slated to open in fall 2016.
   iii. Doctorate in Education has been approved in partnership with Fresno State, and will soon be announced soon.
   iv. Engineering Program – received initial funding to start the program and will be introduced in fall of 2016.

d. Current Enrollment: expecting 5,500 FTE for fall with incoming freshmen and transfer students. Head count will be 6,200-6,400 students total, but we will not confirm that number until census three weeks into the semester.

e. Additional faculty hired and expecting to hire 22 more by fall 2016.

f. CI 2025 is underway and President Rush will be going to the CSU Board of Trustees meeting in November to present the proposed plan.

IV. CHAIR’S REPORT
   a. Board membership update:
      i. Diane Palumbo and Lon Morton were both welcomed to the Board.
      ii. Ann Deal resigned this week because she is moving her home and business to Texas. Ann conveyed her thanks and pleasure in serving on the board.

V. FINANCE COMMITTEE REPORT
   a. Endowment Report
      i. Asset Performance for the Endowment funds (YTD: Jan. 1 – June 30, 2015) – shows the portfolio is slightly under performed in the policy index. At the same
time, domestic and international equities, which make up nearly 60% of the endowment, performed better.

ii. Fixed income segment, encompassing about 25% of the account has had mixed performance over the last year.

iii. The alternative investment statement, comprised of slightly light than 20% of the account, has been hurt by weakness in the commodities, energy and resources.

b. Investment Report / Policy

i. A draft amendment to the Investment Policy, previously vetted by the Finance Committee, was presented to the full board. New language was added to the policy (see the last two pages) for the full board to review and comment on.

ii. Mr. McRae explained that the campus had been receiving sporadic questions about the Foundation’s investment strategy and the issue was raised about whether our asset manager considered Environmental, Social and Governance (ESG) and Socially Responsible Investing (SRI) when selecting fund managers.

iii. The Finance Committee expressed strong opinion about not dictating dollar limits or percentages of certain investments and recommended not taking any specific stance at this point. Mr. McRae and staff responded to several questions from board members.

1. In summary, it was agreed that the ESG/SRI clause puts the Board in a position to respond to concerns.

iv. Mr. McRae called for a motion (Motion # 15-144) to approve the amended Investment Policy. Hugh Cassar motioned first to approve, Peter Wollons seconded, and the motion passed unanimously by all those present.

c. Financial Report

i. Spending patterns reduced from 5% to 4%.

1. Due to a stagnant market which is moving horizontally, the Committee is considering whether to keep the 4% spending limit in place or reduce it slightly.

2. The asset manager is working with campus staff and the Committee to review ratios and this will be a discussion item in the coming months.

3. Recommendations will be brought back to the Board for consideration.

ii. Janet Garufis and Christine Garvey requested to see more detailed information on the Statement of Net Assets and the Statement of Activity Compared to Budget. In addition, the line item called “Related Party Payables,” under “Liabilities” was confusing so at the request of the Board it will be renamed as “University Reimbursement.”

iii. Mr. Leis asked Ysabel Trinidad to amend, for easier reading, the “Statement of Activity” and that it show the forecast. In addition, improved financial statements along with a six-month budget update was requested by another member interested in seeing a complete representation of financials over the course of a full year.

1. Mr. McRae and staff agreed to provide the requested information as well as the audited financials.

2. Staff explained that some of this information is readily available online on the Foundation’s webpage: http://www.csuci.edu/impact/cl-foundation/

d. Audit Committee / Audit Process –

i. The new Audit Committee was established and the audit process began in July and will conclude next month.

ii. Committee membership includes two outside community volunteers: Brad Stark and the chair, Patrick Ariniello, as well as Mr. McRae and Larry Hibbler.
VI. DEVELOPMENT COMMITTEE REPORT
Mark Hartley was absent for the committee meeting that took place on August 20, so Mr. Leis gave a brief update on his behalf.

a. We currently have 22 directors, plus 1 faculty and 1 student representative, and 2 ex-officio members (26 total members). Our bylaws allow for 35 members. We have the opportunity to recruit another 9 members.

b. As previously mentioned, the qualities we are seeking in prospective board members are: Influence, Capacity, Decision-making Authority as well as Diversity.

c. Nichole Ipach wants to create a better process to introduce prospective members to the full board before being voted on. Nichole will be working with Zohar Ziv and will present at the next full board meeting.

d. Mr. Leis asked if anyone has someone in mind that fits the criteria to please forward the name to Mr. Hartley and Ms. Ipach for consideration.
   i. Anyone involved in agriculture, engineering, or the medical field is where we are currently looking to gain new members.

VII. ATHLETICS
President Rush spoke on behalf of Emilio Pozzi who was unable to attend the meeting.

a. CI would have an athletics program if we had the money. The funding sources for athletics will have to come from student fees and donations. President Rush is not inclined to use general state funds for this purpose.

b. The goal is to be in the NCAA (National Collegiate Athletic Association), Division 2 category and join the other CSUs and San Diego State in the CCAA (California Collegiate Athletic Association), Division 2.
   i. To join the CCAA we need 10 sports and be able to meet other governing rules regarding participation in certain sports.

c. Dr. Rush received the final report from consultants, Strategic Edge Athletic Consulting, with a budget to proceed to start athletics at CI. However, the problem lies in funding. $3 million is needed annually to sustain athletics.
   i. If we were to sustain athletics by student fees alone the consultants estimated that CI would need 15,000 full time students enrolled. We are well below enrollment number and will not reach this number for years to come.
   ii. The consultants also suggested a hybrid model to focus on certain sports clubs that have already started, as opposed to starting all sports at once. Those are Soccer, Lacrosse, and Cross-Country or Golf.

d. Right now we have about $408,000 in the Foundation fund from donations made over the years in support of athletics. And about $800,000+ in student fees. This budget line item also supports the CI Boating Center and clubs so it’s not as easy as pulling those funds together to create a budget for athletics.

e. Mr. Pozzi has been working with outside groups on sponsoring a soccer field/stadium with a naming opportunity. This would allow CI the opportunity to have another stream of funding for athletics with rentals of the field in hopes of starting an official CI soccer team.

f. Right now Carrick DeHart has several requests for funding pending and a goal to raise potentially as much as $2.4 million for athletics.

g. Going forward, we would continue to have club sports as well as Division 2 sport teams.
VIII. UNDERGRADUATE RESEARCH
Professor Cindy Wyles presented research and statistics about undergraduate research and explained its benefits and impact on student growth and development.
   a. Professor Wyles introduced a recent graduate, Alina Mitina, to share about her experience. Ms. Mitina was a Biology major who graduated this past May with a 4.0 GPA which she credited in part to her experience doing undergraduate research.
   b. Alex Yepez, student representative on the Board, also presented on his experience doing research with CI faculty. As a currently a Sociology student, he is focused on retaining first-generation college students.

IX. UNIVERSITY ADVANCEMENT REPORT
Nichole Ipach presented on the following:
   a. Important Facts / Significant Accomplishments for CI
      i. Ms. Ipach pointed to the handout “Select Accomplishments 2010 – 2015” in the board packet as a reference for members needing speaking points about the campus.
         1. CI announced as the fastest growing Master’s Public University nationally by the Chronicle of Higher Education.
         2. Please look over the staff and faculty awards and grants, student achievements and recognition, and alumni achievements and recognition.
   b. Philanthropic Productivity Report
      i. Several charts were presented on planned gifts and other prospective gifts for this fiscal year. See handouts for particular numbers.
   c. Board Giving
      i. 19 board members contributed bringing total giving to $973,220 for FY 14/15.
   d. Scholarship Report
      i. $476,000 in scholarships were awarded to students this year. See handouts for particular numbers.
      ii. 5-year comparisons on planned gifts and endowments for scholarships were presented.
   e. President’s Concert Update
      i. Few tickets are available in the VIP section and general admission is selling fast.
      ii. 85% of our goal for the event has been reached.
   f. Dodger Day Update
      i. The board was encouraged to purchase tickets.
      ii. Sheriff Geoff Dean will be throwing out the first pitch.

X. CAMPAIGN FOR CI
   a. Updates from Chair include:
      i. This campaign is benefiting from the strength of everyone’s commitment. Some members are still considering the size of contribution they wish to make.
      ii. While board giving is strong, we have not yet received a champion gift and that is a weakness of the campaign. Meanwhile, we have received lots of 6-figure gifts.
      iii. Several small group meetings have been held to discuss campaign prospects and we’ve gathered good information that we can use to schedule meetings and campus visits to introduce prospects to CI.
         1. If anyone has any challenges connecting prospects to causes that move them, please talk with Ms. Ipach so that she can assist you.
iv. It was recommended that the campaign end date be extended from December 31, 2015 to June 30, 2016.
   1. Mr. Leis called for a motion (Motion # 15-143) to move the end date of the campaign to June 30, 2016 to coincide with the President Rush’s retirement. Peter Wollons motioned first, Janet Garufis seconded, and the motion passed unanimously by all those present.

   b. Campaign Numbers to Date
      i. Mr. Leis asked Ms. Iapich to present on these numbers.
      ii. Ms. Iapich explained that gifts received range from $1,000 to $185,000. She added that 17 board members have made gift commitments and 5 others are considering making a contribution.

XI. OLD/NEW BUSINESS
  a. Conflict of Interest forms. Mr. Leis reminded members to turn in their completed forms to staff.

XII. OTHER
  a. Presentation of the Campaign for CI video; this was shown as an informational item.

Meeting adjourned at 11:52 AM.

APPROVED:

11-18-2015

Date

Larry Hibbler, Secretary