FOUNDATION BOARD
REGULAR MEETING
FEBRUARY 4, 2015
M-I-N-U-T-E-S

The CSU Channel Islands (CI) Foundation Board met on Wednesday, February 4, 2015 in the J. Handel Evans Conference Room in the John Spoor Broome Library on the CI campus. President Rush called the meeting to order at 6:07 p.m.

Members Present:
Hugh Cassar
Robert England
Bill Kearney
George Leis
Douglas McRae
Claudio Paiva, Faculty Rep.
Emilio Pozzi
Richard Rush, University President
Sara Sanders, Student Rep.
Peter Wollons

Members Absent:
Ed Birch
Ann Deal
Henry Dubroff
Christine Garvey
Mark Hartley
Larry Hibbler
Ralph Iannelli, Jr.
Hank Lacayo
Chris Meissner
John Notter
Blaise Simqu
Scott Zolke

CI Ex-Officio* Members & Staff:
Nichole Ipach*, Vice President, University Advancement
Danielle Quillian, Development & Special Projects Asst.
Elizabeth Rubalcava, Dir. Advancement Special Projects
Ysabel Trinidad*, VP, Business and Financial Affairs
Eva Gomez, Director, Annual Fund & Special Gifts
Tania Garcia, Director, Alumni & Development Relations
Carrick DeHart, Director, Major Gifts
Celina Zacarias, Director, Community & Gov. Relations

Welcome
George Leis, Chair, welcomed everyone in attendance at 6:10 p.m., and announced this was the first meeting of the year. He also welcomed Zohar Ziv, who was in attendance as our special guest. Mr. Ziv is a prospective board member who was invited to attend the meeting. Chris Meissner was also invited to this meeting but was not in attendance.

Approval of Minutes
Mr. Leis called for a motion to approve the December 2, 2014 Annual Board Meeting minutes. Emilio Pozzi motioned first, and Peter Wollons seconded the motion to approve the minutes as presented. All members present concurred and the motion carried (#15-136).
President's Report

President Rush reported that Henry Dubroff and Larry Hibbler both had personal matters to attend to and conveyed their regrets for not attending. Dr. Rush announced that Mr. Dubroff is celebrating 15 years of his publication, The Pacific Coast Business Times, and he congratulated him for this significant achievement.

Next, Dr. Rush shared the most recent University’s accomplishments, a list that continues to grow. A few our highlighted below:

- CI is ranked 19th by the BestColleges.com, an independent, research-based college-planning website for students and families, on its list of “Top 50 Colleges for Hispanic Students.”
- Washington Monthly has ranked CI as 19th for “Best Bang for the Buck” signifying quality education at an affordable price.
- CI has been identified as a top school for military and veteran’s education, once more, a meaningful achievement and one that makes Dr. Rush proud to share.
- CI has made the President’s Higher Education Community Service Honor Roll for the 5th year in a row.
- A recent study by the National Survey of Student Engagement (NSSE) shows that students at CI are overwhelmingly engaged and satisfied by their educational experience.
- The Martin V. Smith School of Business & Economics at CI won two awards in a national Business Strategy Game program run by a company of the same name, with students achieving 1st place in the “Earnings Per Share and Stock Price” category.
- On February 26th our Student Affairs Division will be identified as one of the top 15 in the nation of “Best Places to Work”. The honor had not been officially announced but was expected to be released in the near future.

In addition, President Rush summarized his presentation to the CSU Board of Trustees last week. In it he explained the 1998 legislation that created the Site Authority and outlined its purpose in developing the campus. He also reiterated to the Trustees the mandate they gave him when he first took position as President of CI. Since they did not want our new university to impact the other campuses, with regard to bonds, he was charged with finding alternative methods for the campus to pay its own way. He emphasized that, moving forward, we cannot rely on the State for funds. Besides the funding received for the hiring of the first administrators and initial cohort of faculty, the campus has not seen another lump sum. President Rush felt that the new generation of trustees needed to know the particular mandate given to him because our university operates under different rules, not by choice, but by philosophy.

At this point in time, with the Governor’s budget being what it is, we also have the problem of the next bond issue - expected in 2016. If the campus was on the list for funding then a project could be completed by 2022, however, we’re ranked 17th on the Trustees’ list, which means that 16 campuses are ahead of us for funding from the State. The lack of funding has a direct impact on the campus’ ability to support a growing enrollment. For example, we had 15,000 applicants last fall, and more are expected to apply this coming fall semester.

In March, President Rush will return to the Board of Trustees to seek conceptual approval of the CI 2025 plan. In order for CI to grow, more housing is needed to supplement the existing 58 townhomes and 509 apartments in University Glen. The plan, among other options, recommends that these townhomes and apartments be sold to generate income. The plan is
innovative and most likely will receive the Trustees' conceptual approval. If needed, Dr. Rush will ask for support from the Foundation Board (i.e. letters of support).

Independently, a private developer with the funding and financial backing approached Dr. Rush about the possibility of building another phase of student housing in the South Quad area. This development would be adjacent to the 600 beds that are coming with the Santa Rosa student housing project currently underway. We said it's possible that the campus could have 1,200 beds by fall 2016. This proposal is currently in review.

In addition, President Rush reported that he just received word from the Chancellor's Office that the Trustees approved his recommendation to confer an Honorary Doctorate degree to our dear friend and fellow board member, Bill Kearney. His degree will be presented to him during the morning Commencement ceremony on May 16th. Dr. Rush asked the Board to join him in congratulating Bill and encouraged everyone to attend the ceremony in May, invitations will follow.

Chair's Report
Mr. Leis shared that some members of the Board have agreed to guest lecture for university courses. He recognized and thanked Janet Garufis, Mark Hartley, Henry Dubroff, Blaise Simqu, Doug McRae, Christine Garvey, Ann Deal, and Ed Birch for volunteering their time to share their expertise and knowledge with our CI students.

Mr. Leis also thanked Mr. Ziv for agreeing to be the featured speaker at the MVS Speakers Series on Friday, February 27th. Mr. Leis expressed to Mr. Ziv his appreciation on behalf of the campus for taking time out of his busy schedule to share his knowledge with CI students and with community and business leaders.

Finance Committee Report
Doug McRae reported on business discussed at the most recent Finance Committee meeting. The first item he discussed were the Audit Committee and the Audit Report findings. The CSU Audit, previously reported on last August, is now final and posted online. The audit process helped Advancement and Finance staff improve business practices and operations. Most of the findings have been resolved and the staff are working diligently to improve procedures and policies. The deadline for corrections to the Chancellor’s Office is February 20. The cause of most of these findings was largely due to staff turnover or lack of staff. Appropriate staff are now in place and can provide proper oversight. Moving on the next item, Mr. McRae mentioned that the Audit Committee was another matter addressed in the report. This committee must be separate from the Finance Committee. Also, a member of the Finance Committee is not permitted to serve as Chair of the Audit Committee and the committee cannot be comprised of more than 50% of those who also serve on the Board or the Finance Committee. This is a matter that needs to be addressed in the future.

Next, Mr. McRae reviewed the Foundation portfolio’s current asset allocation and stated that all areas are within policy ranges, but that it needs to move towards a lower risk, higher return model, which could take a number of years. He also reported on the performance of the Lagomarsino CRAT and reviewed the CRAT account summary which shows that the asset allocation has been consistent over time. Diversification has helped, and the search for the best in-class managers continues.
Last, with regard to the Foundation’s financials for period ending November 2014, there wasn't anything out of the ordinary to report.

**Board Development Committee**

Mr. Leis speaking in Mark Hartley's absence, reported on the most recent Board Development Committee meeting. Mr. Leis asked for a motion to approve Chris Meisner's appointment to the Foundation Board. Peter Wollons motioned first and Emilio Pozzi seconded and the motion (#15-137) carried unanimously.

Mr. Leis stated that the board is comprised of 19 Directors and 2 ex-officio members (campus representatives) for a total of 21 members. The By-Laws allow for 35 members. The Committee is seeking more candidates, roughly 12-14 more members. Mr. Leis opened the floor to candidate suggestions. He reminded everyone that we're looking for individuals who have influence, capacity and decision-making ability. Dr. Rush would like more diversity with regard to gender and ethnicity. Mr. Leis asked all members to send prospective candidate names to Dr. Rush and Ms. Ipach.

**Campaign for CI**

Next Mr. Leis presented the Proposed Goal, Timeline & Case Statement for the Campaign. He started by recommending that the goal and timeline for the campaign be amended from what was originally presented, by having an initial goal of $10 million and by focusing on raising this amount within one year’s time.

Mr. Leis added that we are refining our goal and strategies based on the feasibility study and survey results. At this point in time, we have received several gift indications from individuals, as well as faculty and staff, alumni and friends, and CI students.

The focus of the fundraising priorities included in the campaign are:

- To Build an Engineering Program-
- To Increase Student Scholarship, Internship, and Undergraduate Research Opportunities
- To Launch CI Athletics

A successful campaign will provide greater access to higher education while strengthening the University's ability to support industry as well as the economic vitality of the community.

The fundraising strategy is simple and requires the support of every board member. We are asking each member to help facilitate fundraising activities. In addition, other CI supporters and volunteers who are willing to help will be enlisted. A special effort will be made to enlist the volunteer and philanthropic support of CI employees, alumni, and students.

As mentioned at the December meeting, Mr. Leis reminded everyone that as we begin the campaign we need to have full commitment from every board member with regard to financial and volunteer contributions. He and Dr. Rush, along with Nichole, will be reaching out to each member personally.

**University Advancement Report**

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

- Alumni & Friends Association: Last year (FY13-14) the “$14 for 2014” campaign raised alumni giving to 4.9% in comparison to the CSU average of 3%. It was the first year we
asked our alumni to donate. This year (FY14-15) the “$15 for 2015” campaign has a goal of $50,000 and has already brought in 181 alumni donors.

- Planned Giving: Last year we had 25 people with planned gifts totaling $2.8 million. This year we have 43 people with planned gifts and we’re only half way through this fiscal year with $2.3 million in planned gifts booked and another verbal notification of a $1 million gift that we hope to secure soon. The team has also identified 11 people who have indicated planned gifts – 4 of those 11 are employees of CI.

- Annual Fund: Recognition was given to Eva Gomez for her work to produce the annual fund mailing last year. In Nov. 2013 we had a mailing and received just over $10,000 and the combined mailings in that year raised over $20,000. This year we did another November mailing and received $30,480 to date. We are planning several more mailings for the Annual Fund as it’s becoming very successful.

Ms. Ipach distributed the Annual Report, the first ever produced on behalf of the Foundation. Next year she expects the report to be even more robust and will include charts based on our audited financials. Julia Levi was in charge of this project and did a wonderful job on this piece.

Mr. Leis wanted the minutes to reflect that the report is a very well-done publication.

Old/New Business

Mr. Leis drew everyone’s attention to the revised 2015 Calendar of Meetings. The change concerns the Annual Meeting, which will be moved from December 2 to November 18th because Cottage Health Systems would like to host our meeting. Please review the dates and upcoming events and add these important dates to your calendar. In closing, he noted that the next Board meeting is scheduled for Wednesday, April 29th.

Adjourned 7:23 p.m.

APPROVED:

4-29-15

Date

Larry Hibbler, Secretary