Meeting of the Foundation Board  
March 12, 2014
M-I-N-U-T-E-S

The CSU Channel Islands Foundation Board met on Wednesday, March 12, 2014 at CSU Channel Islands in the John Spoor Broome Library. President Richard R. Rush called the meeting to order at 6:10 p.m.

Members Present:
John Notter, Vice Chair
John Butzer, Student Representative
Ann Deal
Henry Dubroff
Robert England
Janet Garufis
Mark Hartley
Larry Hibbler
Bill Kearney
Hank Lacayo
Priscilla Liang, Faculty Representative
Douglas McRae
John Ridgway
Richard Rush, University President
Peter Wollons

Members Absent:
Blaise Simqui
Hugh Cassar
Robert England
George Leis, Chair
John Ridgway

Welcome

Dr. Rush opened the meeting with a thank you to Board members for attending this evening and gave regrets on behalf of George Leis who could not attend.
Installation of Officers - Motion #14-123

President Rush explained that the Board has two positions open, Vice Chair and Board Development Chair. He introduced the slate of officers on behalf of George Leis who submitted recommendations for both positions. Dr. Rush nominated John Nottor to serve as Vice Chair, Henry Dubroff motioned to approve, Mark Hartley seconded, and all members were in favor. Next, Dr. Rush nominated Mark Hartley for Board Development Chair and motioned for approval, Bill Kearney seconded, and all members were in favor.

President Rush then requested to turn the meeting over to Mr. Nottor to serve as Chair in Mr. Leis’ absence, Hank Lacayo motioned to approve, Larry Hibbler seconded, and all were in favor.

Consent Agenda - Motion #14-124

Mr. Nottor thanked the Board for their support and expressed his pleasure in serving as Vice Chair. He then asked for the approval of the minutes and for a motion to approve the agenda.

Mr. Lacayo motioned to approve the agenda and the minutes of the November 19, 2013 meeting, Peter Wollons seconded, and all were in favor.

University Update

Mr. Nottor requested President Rush to share an update on the University’s progress. Dr. Rush began by addressing the plans for the ‘Big Idea’ and acknowledged Ysabel Trinidad for her fine work behind the scenes. Dr. Rush estimated that the cost of the Big Idea is approximately $800-$815M. He noted that there were three respondents to the RFP, but that no decision has been made as yet. He reiterated that the campus’ most pressing need is student housing. Currently, we are over capacity by 328 residents. As we grow next year by an additional 600 students, there is increased pressure to provide adequate housing. We are on the fast track to build housing as soon as possible and we are looking at fall of 2016 to have it completed, which is a year longer than originally anticipated.

Dr. Rush mentioned that he met earlier today with investors from a pension fund who are very interested in supporting one or more of our capital projects.

Next, Dr. Rush announced with great pleasure that the University received $300,000 from the Hilton Foundation for the University’s California Institute for Social Business (CISB). Dr. Rush openly acknowledged the Hilton Foundation and thanked them for their support. He also recognized Mr. Nottor for his assistance. Dr. Rush shared that he had a lengthy conversation with Steve Hilton by phone and explained how Mr. Hilton is very supportive of Professor Yunus and the CISB.

On another positive note, Dr. Rush shared that Communications and Marketing recently received an award from Collegiate Advertising for the “Join Us” campaign. He expressed his gratitude for their work and conveyed his congratulations.
Next, Dr. Rush announced the Chancellor’s Office has had a number of staff changes and that Chancellor White is appointing new senior staff. The most recent hires are Executive Vice Chancellor and General Counsel, Framroze Virjee, and Executive Vice Chancellor and Chief Financial Officer, Steven M. Relyea, who is currently the Vice Chancellor for Business Affairs at San Diego State. Mr. Relyea has a great deal of experience in public private partnerships.

In closing, Dr. Rush announced the groundbreaking for Sierra Hall Project, a three-story laboratory building that is desperately needed by our science programs. This is the first State funded project in over ten years.

Finance Committee Report

Doug McRae provided the Board with the Finance Committee Report, giving an update on the endowment portfolio’s performance. He said that, while CI’s endowment is less than $25m, returns are up, adding that the portfolio has outpaced a majority of the CSU campuses. He attributed this to Canterbury Consulting’s expertise, CI Foundation’s former investment advisor. However, Mr. McRae explained that, following the recent evaluation of Request for Proposals (RFPs) for a new investment advisor, the Committee felt that it was time for a change, and selected Beacon Pointe. The Finance Committee met with Beacon Pointe earlier today, and they made recommendations about asset allocation as well as suggestions for minor revisions to the Investment Policy Statement.

Task Force Updates

President Rush began his report on athletics and asked Dr. Sawyer to comment as well. Dr. Rush announced that we are starting our athletic program with cross country this fall because of its cost effectiveness. He also stated that efforts have been made to start the NCAA application process. Dr. Sawyer followed with a brief update and explained that his division is currently recruiting athletes for the cross country program and students have already designed their own shirt. He added that golf will begin in the spring as there are several clubs locally with which we can partner. These efforts, though modest, are necessary to show progress as we gear up.

With regard to courtyard restoration, Nichole Ipach acknowledged Steve Blois, Chair of our Courtyard Restoration Task Force, for his work in moving the utilities, which included relocating a large fire hydrant, over the holiday break last December. Steve garnered support for materials and equipment, worth approximately $12,000, and gave of his own time and resources. His involvement saved the campus anywhere from $15,000 to $20,000 had we went to bid and followed a traditional construction process.

Next, Ms. Ipach presented the latest drawings for Phase II of the Central Mall. The differences between the initial drawing and the new one are significant. We redefined and reduced the size of the main plaza as well as the smaller plazas at each end of the mall. The benefit of this is that we will save some existing trees. She noted that we plan to have a variety of plantings and trees that will provide shade and add beauty to the mall. In addition, we have a potential gift from a local company, Alcoa, to purchase trees and we are in the process of bringing the company representative to campus for a tour of the mall.
Last, Ms. Ipach announced that the cost to name the Central Mall is $1M as this is the amount necessary to cover the majority of our construction costs.

Moving on to our Engineering Program, Dr. Karen Carey provided a brief presentation on Security Engineering. She touched on the Committee’s membership and purpose. The Committee recommended that the University concentrate on Security Systems Engineering specifically. The program will focus on 3 areas: Management, Technology and Psychology. She explained what is needed to start the program and where we are currently in the process. We have two faculty members just hired in computer science. CI faculty are currently working on developing the curriculum and administrators are identifying space and equipment needs.

Mark Hartley gave an update on fundraising efforts related to the Event Center. He reviewed the spreadsheet of naming opportunities, and addressed additional items such as:

- Rights and Other Contracts (5-year agreements)
- University Wide Agreements (5-year agreements)
- Other Opportunities for Revenue Generation

He also noted that the presentation is merely an overview and that these initial numbers are extremely aggressive. He remarked on conversations that he had with a firm that works with the Angels and Giants, and he believes that they would be a good resource as they have relevant information and experience. He noted that firm is interested in coming to campus. In addition, this same firm is associated with other development projects, one in Omaha and the other is the Pinnacle Arena in Lincoln, Nebraska. Two college teams are playing there but there are no televised games. In closing, he emphasized the need to start working on the electronic billboard right away. The proposed billboard will have signs in both directions on the freeway. Professor Llang asked if we had a timeframe in mind and Mr. Hartley responded by saying that we can start reaching out to donors now but contracts take planning as these companies are looking 2 to 3 years out.

Scholarship Report

Eva Gomez reported on Student Scholarships and noted that the new endowments are highlighted on the presentation. She identified the number of scholarships awarded since 2003 and stated that in FY 2013/14 year we awarded $209,000 and distributed 126 awards. The average number of new scholarships received each year is seven. Ms. Gomez provided 4-year comparison and explained that last year’s number was high because of the Osher gift of $500,000 and Mr. Notter’s gift of $125,000 which provides for 14 awards to be given each year. The differences of funds raised by year were also noted. Moreover, 95% of our scholarships are restricted in some way. Ms. Gomez emphasized the need to increase the number of unrestricted scholarships and to increase the President’s Scholars Program by 20% as previously recommended by the Scholarship Task Force.

Ms. Gomez recognized both Mr. Notter and Mr. Kearney for their specific contributions. Next, Ms. Gomez introduced President Scholar Jillian Glassett and invited her to address the Board. Ms. Glassett shared her experience being selected as a President’s Scholar and described
the financial challenges faced by her family. She expressed how grateful she is to be a President’s Scholar and explained how much the scholarship has helped her family and made her dreams come true. She noted that the scholarship helped in other ways as she has grown and benefited from a university experience. In closing, Ms. Glassett addressed her future plans and announced that she will be pursuing a Ph.D. in Mathematics.

CI Report from Staff

Ms. Gomez went on to present a brief report on the Annual Appeal Program. She reported a $10,000 return for the year-end appeal and noted that the spring mailing has brought in about $2,500 to date.

Next, Ms. Ipach reported on the $14 for 2014 Alumni Giving Campaign. The campaign began in February and will run through June. She noted that a significant number of alumni have begun contributing. The Alumni Office is utilizing GiveZooks, an online program that allows us track campaign progress, the number of donations as well as social media connections. Ms. Ipach recognized Ralph Lannelli for referring GiveZooks to us. She added that we are also looking for a donor to match the alumni giving. Crowd sourcing is one method, but we are also going to do a phone-a-thon to help reach out to alums. Next year, we plan to do a blitz campaign (over a 72 hour period), but this requires a lot of marketing and communications ahead of time. She gave examples of other campuses and specifically mentioned CSU Pomona.

Nichole stated that the alumni campaign gifts will be added to the alumni endowment for scholarships. As the campaign gears up, the Alumni and Friends Association will work on establishing the criteria for awarding the scholarships. The average tuition costs $5,472 and the average scholarship award is approximately $1,500. Additionally, the President’s Scholars awards are higher because it also covers equipment. She reminded the Board that the spending policy was recently changed, noting that it had been reduced from 5% to 4%.

Mr. Notter remarked on how the campaign is a great way to get students involved and get them interested in giving back. Janet Garufis asked if a matching donor be able to direct the scholarship and Ms. Ipach responded affirmatively.

Association of Governing Board Conference

Larry Hibbler shared with the Board his experience attending the Association of Governing Board (AGB) Conference. Mr. Hibbler stated that he learned a lot as a new member. He reported that current donors tend not to give their best and mostly that’s because we don’t encourage them to do so. He talked about how other Foundations are raising significant dollars and emphasized that we can do the same. The new board member orientation is also very important because it gives new members the chance to learn whether he or she can meet expectations and make the commitment to serve on the Board.

Last, Dr. Rush announced that the Board will hold its annual retreat on August 22-23. We have reserved meeting space and rooms at the Ojai Valley Inn and have secured a speaker from AGB.
Dr. Rush took a moment to introduce our student board member, John Butzer, acknowledging him as another President's Scholar, and again thanked Ms. Glassett for her presentation.

In closing, Mr. Notter thanked everyone for attending the meeting and announced that the Board will meet again on May 13th.

There being no other business, the meeting was adjourned at 7:09 p.m.

APPROVED:

May 13, 2014

Date

Neil Paton, Secretary