



100 Campus Center ~~~ Seaside, CA ~~~ 93955-8001

Memorandum

TO: Foundation Board of Directors
CC:
FROM: Gordon McDougall, Foundation CEO VIA Nancy Ayala
DATE: March 7, 2025

SUBJECT: Agenda and Read-Ahead Materials

Enclosed are the agenda and read-ahead materials for the Foundation Board of Directors meeting on Friday, March 14, 2025. The meeting will begin at 9 a.m. in the board room at the Alumni and Visitor's Center on campus.

If you have any questions or concerns before the Board meeting, please contact me at nayala@csumb.edu.



100 Campus Center ~~~ Seaside, CA ~~~ 93955-8001

Board of Directors Meeting

Friday, March 14, 2025, 2024 9:00 a.m. – 11:00 a.m.

Alumni and Visitors Center – Board Room

Light Breakfast will be served.

The Foundation is organized for the following public and charitable purposes: (a) To foster, encourage, and promote the goals and purposes of California State University, Monterey Bay (“CSUMB”), including providing strategic advice and counsel to the president and other university officers; o administer gifts, bequests, devises, endowments, trusts, real estate, and similar funds, and provide short and longer term management of the Foundation’s funds; (c) To play an active role in fundraising and development processes in support of CSUMB; (d) To provide financial assistance to CSUMB through gifts, grants, loans, and allocations to CSUMB and its controlled affiliates; (e) To do any other act or thing and engage in and carry on any other activity in any manner connected with or incidental to, or calculated to promote, assist, aid, or accomplish any of the Foundation’s and CSUMB’s purposes.

AGENDA

- | | | |
|-------------|--|--------------|
| I. | Call to Order | G. Gonzalez |
| II. | Governance
<i>(Action: Discussion and motion to elect the slate as presented)</i> | G. Gonzalez |
| III. | Approval of Minutes
2 min. Approval of December 13, 2024, meeting minutes
<i>(Action: Discussion and motion to approve the minutes)</i> | G. Gonzalez |
| IV. | Public Comment | |
| V. | Business | |
| | A. Revised 24/25 Budget Request
<i>(Action: Discussion and motion to approve the revised budget as presented)</i> | G. McDougall |
| | B. Policy Review
<i>(Action: Discussion and motion to approve the revised budget as presented)</i> | G. McDougall |
| VI. | Reports | |
| 10 min. | A. President’s Report | V. Quiñones |
| 15 min. | B. CEO’s Report | G. McDougall |
| | • Review Foundation Purposes | |
| | • Campaign Update | |
| | • Endowment Administration Fee implementation update | |
| | • Foundation Budget Revenue Challenges | |
| | • Foundation Board Recruitment | |
| | • Foundation Board Training and Strategic Planning Meeting in June | |

Note: In accordance with Education Code §89921 and Foundation Bylaws Article VII §5, this agenda provides notice of the business to be transacted (i.e., topics for Board discussion). Action may be taken on any item on the agenda. The italicized notations above are for guidance purposes only and the Board may take action on any item listed on the agenda, whether action is specifically prescribed.

10 min.	C.	Provost's Report	A. Lawson
10 min.	D.	CFO's Report	A. Fisher
15 min.	E.	VP for Enrollment Management and Student Affairs Report	B. Corpus
10 min.	F.	Auxiliary Investment Committee Report	R. Tracy
10 min.	G.	Chair's Comments	G. Gonzalez
VII. Presentations			
15 min.	A.	Campus Capital Improvements	J. Wyrick
15 min.	B.	Athletics Update	K. Garry
VIII. Open Communications/Announcements			G. Gonzalez
IX. Closed Session			
By Education Code § 89923			
X. Adjournment			G. Gonzalez

Memorandum**To:** Foundation Board of Directors**CC:****FROM:** Gordon McDougall via Nancy Ayala**DATE:** March 3, 2025

SUBJECT: 2024/25 Slate of Officers, Foundation Board

The proposed 2024/25 slate of officers for the Foundation Board of Directors is as follows:

Cydney Crampton Secretary

The term commences immediately and will remain in place for the remainder of the fiscal year, which ends on June 30, 2025.

The board will be asked to vote on the nomination at the meeting on Friday, March 14, 2025. The Foundation's staff recommends the approval of these nominations.

If you have questions or concerns before the Board meeting, please contact Nancy at nayala@csumb.edu.



Board of Directors Meeting

Friday, December 13, 2024 9:03 a.m. – 11:06 a.m.
Alumni and Visitor's Center – Board Room and Virtual

Draft, Minutes

Board Members Present		Members Absent
Greg Gonzalez, Chair	Vanya Quiñones, Ph.D., President	Martha Lynn, Secretary
Alan L. Fisher MS, MBA, Director	Cydney Crampton, Director	Caroline MacDonald, Director
Ian Oglesby, Director	Arlene Haffa, Director	Debbie Sober, Director
Rachel Molatore, Director	Steve Keller, Director	Sandor Nagy, Director
Robert Behl, Director	Susan Lansbury, Director	
Jonathan Merrill, Director	Andrew Nino, Director	Staff Present
		Nancy Ayala, Gov. & Compl. Mgr
Presenters:		
Ryan Tracy, CFP, Marquette Associates Inc.		Michal-Anne Miller, AVP of Finance
Diane Wilson, Interim Assistant Vice President for Advancement		Ben Corpus, VP for Enrollment Management and Student Affairs
Aaron Bryant, AVP for Marketing and Communications		John Banks, Director of Undergraduate Research Opportunities Center
Alan L. Fisher, MS, MBA, Interim VP of Administration and Finance		Maria Bellumori, Strategic Plan Steering Committee Co-Chair
Andrew Lawson, Provost and VP for Academic Affairs		Dale Grubb, Strategic Plan Steering Committee Co-Chair

Regular Meeting

- I. **Call to Order:** A quorum being established, Chair Greg Gonzalez called the meeting to order at 9:03 a.m. Chair Gonzalez introduced himself as the board chair and mentioned the need for a new member for the audit committee due to Director Arlene Haffa's appointment to the corporation board. Director Haffa now sits on the Committee as a Corporation representative. The Committee needs a Foundation representative. Please contact Nancy Ayala if you are interested.
- II. **Approval of Minutes:** Moved by Director Steve Keller and seconded to approve the September 13, 2024, meeting minutes as presented. With no further discussion, the motion carried.
- III. **Public Comment:** No requests were made to address the Board.
Director Ian Oglesby arrived at 9:05 a.m.
- IV. **Business:**
 - A. **Endowment Policy and Investment Committee Report:** Marquette Associates, Inc. Senior VP Ryan Tracy introduced himself to the Board as the new investment consultant for the auxiliaries, highlighting the new OCIO (Outsource Chief Investment Officer) relationship and detailing the responsibilities and benefits of moving to a discretionary relationship. Mr. Tracy presented the proposed Endowment Policy, noting it reflects the new OCIO relationship and provides clear expectations around performance and framework for asset allocation. Director Behl stated that the Investment Committee reviewed the Endowment Policy and approved the proposed policy. Moved by Director Robert Behl and seconded to approve the Endowment Policy as presented. With no further discussion, the motion carried.

- B. Endowment Spending Policy: Interim Assistant Vice President for Advancement Diane Wilson presented the revised Endowment Spending Policy. The proposed changes to the endowment spending policy include basing calculations on audited numbers at the end of the fiscal year. Also, endowments should be invested 12 months before a payout is calculated, and the proposed revisions reflect the “full year before any distributions”. Using the June audited numbers and performing the calculation in the second quarter of the fiscal year will provide adequate time for the University to plan for scholarship funds availability for the next academic year. Moved by Director Ian Oglesby and seconded to approve the Endowment Spending Policy as presented. With no further discussion, the motion carried.
- C. Admin Fee Calculation Timeline: Interim Assistant Vice President for Advancement Diane Wilson presented the proposed revised Admin Fee Calculation timeline. Ms. Wilson noted that at the September 13, 2024, board meeting, the Board approved a 1% Administrative Fee on the endowment's value for the prior calendar year ending December 31. The fee is for the Foundation's administrative expenses and programs. For consistency reasons and to align with the revised spending policy calculation timeline, the administrative fee should be calculated using the year-end audited financial data as of June 30 instead of December 31. No other changes to the original approval are requested. Moved by Director Cyd Crampton and seconded to approve the Admin Fee Calculation Timeline as presented. With no further discussion, the motion carried.

V. **Reports**

- A. President's Report: President Quiñones provided an update on University matters and highlighted the university's status as #1 for social mobility by US News & World Report, emphasizing efforts to increase on-campus student housing and enhance Hispanic-serving initiatives. President Quiñones discussed workforce development and community engagement and addressed the revised budget approval, noting a more detailed presentation, including a 1% administrative fee, will be provided at the next Board meeting. There was an update on the ongoing negotiations to sell the Salinas City Center, ensuring the Steinbeck Center is maintained, and thanked Interim Assistant VP for Advancement Diane Wilson for her work. President Quiñones introduced Associate VP for Marketing and Communications Aaron Bryant, who presented the new Foundation logo. The logo, developed through surveys and focus groups, incorporates design elements from the university's branding, featuring waves and colors representing the local environment. The new logo aims to create visual consistency across university entities and will be used in the Ripple campaign. The presentation was for informational purposes, seeking input from board members.
- B. Campaign Update: Interim Assistant Vice President Diane Wilson presented a campaign update, highlighting the progress of the Ripple campaign, a blended fundraising initiative that combines philanthropic gifts and public grants. As of September 30, the campaign has reached 35% of its \$250 million goal, with expectations of significant additional funding by December 31. The campaign uniquely integrates government grants from entities such as the USDA, Department of Education, and National Science Foundation with philanthropic contributions. Approximately \$62 million of the total raised comes from grants, with substantial contributions across various university departments, including the College of Science, Student Affairs, Education, and Health Sciences. The university stands out in the CSU system, ranking third in grant writing efforts relative to faculty size. The campaign focuses on supporting institutional goals, particularly in areas like Hispanic-serving institution initiatives, research, and student support programs. The blended approach allows for a cohesive strategy of achieving institutional objectives by aligning

philanthropic and government funding under common pillars, mainly supporting social mobility, research, and student success.

- C. Provost Report: Provost Andrew Lawson provided an update on Academic Affairs, focusing on academic excellence, career readiness, and social mobility. New degree programs launching in fall include a Bachelor of Science in Accounting and Ag Business Supply Chain Management, with additional programs under development, including a general degree completion program and a potential master's in computer science. The university is elevating concentrations to full majors, especially for first-generation students. Key initiatives include forming a Hispanic Serving Institution committee, restructuring academic advising, and creating a Center for Experiential Learning and Innovation to connect classroom learning with career opportunities. Every program now includes an internship course, and career services have been enhanced. The university was ranked number one for social mobility by US News and World Report and is exploring certificates and stacked credentials for working adults. Additionally, Handshake, a national job placement platform, has been adopted to better connect students with internships and careers.
- D. CFO Report: Interim VP of Administration and Finance Alan Fisher presented the CFO report, noting the university's budget starting with a state appropriation of \$102M as of July 1, 2024. The projected 2024-2025 revenue is \$154.9 million, focusing on increasing enrollment by 225 FTEs and implementing a 6% tuition increase. Despite a \$765K budget deficit, leadership remains confident in managing finances, focusing on enrollment growth and retention, and seeking Chancellor's Office's support. A potential 7.95% budget cut is possible but remains speculative. Concerns were raised about the impact of administration changes on undocumented students, with proactive plans developing to support them. The university is working with Student Affairs and Academic Affairs to create a comprehensive support strategy. VP for Enrollment Management and Student Affairs Ben Corpus presented initiatives like the Otter Plunge, eSports lounge, student connection platform, and efforts to reduce administrative barriers and increase support in counseling and disability services.

Chair Gonzalez noted that Auxiliary Audit Committee Chair Michal-Anne Miller had to exit shortly for another meeting so that she could present next.

- E. Auxiliary Audit Committee Report: Auxiliary Audit Committee Chair Michal-Anne Miller reported that the Foundation finalized its 2023-2024 financial statements with a clean and unmodified audit report from Glen Burdette. The Committee highlighted a significant \$4M increase in gifts, primarily attributed to a substantial estate donation, which helped boost the public support percentage from 49% to 66% - comfortably within the IRS requirements. Regarding tax filings, the foundation reported \$153K in unrelated business income, primarily from taxable investment earnings, resulting in a \$32K tax payment. The investment advisors assured the committee that the returns justify the tax expenditure, and they feel comfortable maintaining their current investment strategy. The report was presented as positive, demonstrating financial growth and responsible management, with the committee expressing gratitude for the support received and emphasizing the importance of philanthropic contributions in funding university initiatives.
- F. Enrollment Management and Student Affairs Report: VP for Enrollment Management and Student Affairs Ben Corpus highlighted significant enrollment growth, with a 40% increase in first-year applications, a 50% increase in transfer applications, and a 30% increase in graduate applications. The current student headcount is about 7,374, with 6,471 state FTEs, and leadership

emphasized a target of not exceeding 8,000 students to maintain a quality student experience. Key initiatives included launching a platform to connect 900 students before arrival, reimagining first-year programming, and creating affinity spaces like El Centro and the Rainbow Raft. Targeted recruitment led to an 81% increase in new Black student enrollment. Challenges include a 30% rise in counseling needs, a 35% increase in students with disabilities, and concerns about the "demographic cliff" with declining high school graduate numbers. Strategies like the Panther Otter Pathway Program with Hartnell College, online degree completion options, and a "Reconnect" initiative for drop-out students are being developed to address these.

G. Chair's Comments: Chair Gonzalez deferred his comments to the end of the meeting.

VI. Presentations

A. Undergraduate Research Opportunities Center (UROC) Update: The Undergraduate Research Opportunity Center (UROC) presentation highlighted its 15-year commitment to facilitating undergraduate research experiences. Led by Director John Banks, UROC offers multiple programs like the Art Scholars Program, which provides students with two immersive summer research experiences. The center has secured approximately \$20 million in external grants, supported over 11,000 students through course-based research experiences, and focused on serving low-income, underrepresented, and first-generation students. UROC's approach includes mentoring students, helping them prepare for graduate school, supporting scholarship applications, and encouraging research dissemination through presentations and publications. The program has successfully supported students' academic and professional development, with notable achievements in scholarship awards and graduate school preparation.

B. Strategic Plan Update: Co-Chairs Maria Bellumori and Dale Grubb presented the university's new strategic plan. The plan is built on four key pillars: holistic student success, cultivating an inclusive and engaged community, responsible resource management, and "getting loud" - a commitment to increasing the university's visibility and recognition. The plan was developed with input from 50 people across the university and through multiple public forums. The plan aims to bolster existing initiatives while launching the institution into the future. Each pillar contains specific priorities focused on enhancing student experience, strengthening community connections, managing resources effectively, and breaking out of the "best-kept secret" status. The plan emphasizes annual evaluation and progress tracking to maintain institutional quality and proactively showcase the university's achievements and potential.

VII. Open Communications/Announcements:

Chair Gonzalez concluded the meeting by reminding attendees about the upcoming Foundation retreat, which will be held in person on March 14.

VIII. Closed Session: There was no request for a closed session.

IX. Adjournment: With no further business to conduct and no objections, the meeting was adjourned at 11:06 a.m.

Martha Lynn, Ph.D., Secretary

Date

Memorandum

To: Foundation Board of Directors

CC:

FROM: Gordon McDougall, Foundation CEO

DATE: March 7, 2025

SUBJECT: 2024/25 Foundation Revised Budget Request

Enclosed for the Board's review and approval is the 2024/25 revised budget request.

The budget displays expenses that are directly attributable to the operation of the Foundation as a stand-alone auxiliary organization. The University Corporation subsidy is \$350,000 and there is a new 1% endowment management fee introduced this year.

The Reserves Policy specifies three reserve funds: a Future Operations Reserve, a Capital Replacement Reserve, and a Working Capital/Current Operations Reserve. These reserve funds are to be funded with net revenues to specific minimums.

- Future Operations Reserve – there are no planned future operations for the Foundation at this time and we recommend not funding this reserve.
- Capital Replacement Reserve – the Foundation does not have any fixed assets at this time and we recommend not funding this reserve.
- Working Capital/Current Operations – although the Foundation has operating expenses, the Foundation does not generate any revenue to pay for those expenses. With no net revenue budgeted, we recommend not funding this reserve.

Foundation of CSU Monterey Bay

Budget Request for Fiscal Year 2024-25

ORIGINAL 2024-25 Budget Request	REVISED 2024-25 Budget Request	Notes
--	---	-------

REVENUES

Endowment Administrative Fee	\$	428,000	1% fee on \$42.8M endowment balance
Contribution from Corporation	\$	350,000	

EXPENSES

Personnel Costs (services from auxiliaries)	\$	198,205	\$	198,205	University Corporation employee effort
<i>Personnel Costs (services from CSUMB)</i>		<i>295,000</i>		<i>295,000</i>	Campaign Mgr and Dir of Development
Supplies and services		500		500	Office supplies, DOJ registration, Late Fees
Bank/Investment Fees		150		150	Wire and credit card fees
Memberships		650		650	AOA dues (3% increase annually-based on FS from 22/23)
Legal & Professional Fees		10,000		10,000	Legal and Professional fees
Investment Consultant Fees		60,000		60,000	Investment advisory services
<i>Campaign Consultant services</i>		<i>120,000</i>		<i>120,000</i>	CCS
Accounting and Auditing Fees		20,000		20,000	Annual audit and tax return services
<i>Information Technology (Administrative)</i>		<i>60,000</i>		<i>60,000</i>	Includes software and mailings
<i>Advertising and Promotion (Communications)</i>		<i>120,000</i>		<i>120,000</i>	Includes graphic design services, marketing, printing, annual magazine
Hospitality-Food		500		500	Catering for board meetings
<i>Community Outreach (Donor cultivation)</i>		<i>120,000</i>		<i>120,000</i>	Events and dinners=hospitality/entertainment
Insurance		7,700		7,700	Liability & crime (CSURMA)
Unrelated Business Income Taxes		7,500		7,500	UBIT related to private equity investments
CSUMB cost allocation		46,000		46,000	Cost allocation for CSUMB services
CSU Indirect Cost		11,000		11,000	Centrally paid indirect cost from CSU
Total Expenses	\$	1,077,205	\$	1,077,205	

NET LOSS

<u>\$ (1,077,205)</u>	<u>\$ (299,205)</u>
------------------------------	----------------------------

TO: Board of Directors **DATE:** March 3, 2025
FROM: Ryan Tracy, Marquette VIA Nancy Ayala **REF:** March 14, 2025
SUBJECT: Endowment Investment Policy Statement
(IPS)

INFORMATIONAL

The changes to the IPS are technical in nature and non-substantive, so they do not require Board of Directors approval under the [Technical Amendments Policy](#).

BACKGROUND

With the new OCIO relationship, Marquette is responsible for manager selection. As a result, once we select a manager, we ensure that the IPS asset class benchmark aligns with the manager's strategy benchmark. Additionally, after finalizing manager selections, we review the overall portfolio to confirm that allocation weights appropriately reflect the broad strategic targets outlined in the IPS (e.g., X% to U.S. Equities, Y% to Non-U.S. Equities, etc.).

Please note that there were no material changes to the IPS at the broad asset class level—all adjustments were strictly within the sub-allocations to reflect manager selection. This ensures that the portfolio remains aligned with the Board-approved asset allocation framework (i.e., previously approved IPS) while integrating the selected managers and their corresponding benchmarks.

Let us know if you have any questions—we would be happy to walk through the updates in more detail.

**FOUNDATION OF CALIFORNIA STATE UNIVERSITY, MONTEREY BAY
INVESTMENT POLICY STATEMENT**

ADOPTED & REVIEWED: DECEMBER 13th, 2024

PURPOSE

This Endowment Investment Policy is intended to provide guidelines for the prudent investment of the Endowment Fund of Foundation of California State University, Monterey Bay (the "Foundation") and to outline an overall system of investment policies and practices such that the Foundation's ongoing financial obligations are satisfied. An additional and equally important purpose of this document and other Foundation investment-related policies is to provide donors, prospective donors, and donation recipients with information about investment performance expectations, guidelines for distribution of earnings, and levels of reimbursements of costs to the Foundation.

MISSION

The mission of the Foundation investment portfolio (the "Portfolio") is to support the program and operations of the Foundation through a flow of interest, dividends and appreciation of assets. It is the intent that the purchasing power of the Portfolio will be maintained without putting the principal value of these funds at imprudent risk.

This policy statement is issued for the guidance of participants involved with the investment process, including investment managers and members of the Investment Committee (the "Committee"), to be used in the course of investing assets for the Portfolio.

GENERAL STANDARDS

The Portfolio will be managed consistently with the applicable standards and requirements set forth in the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by California in 2009.

In seeking to attain the investment goals and objectives set forth in the policy, Committee members must act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner reasonably believed to be in the best interest of the Foundation. Members of the Committee must provide full and fair disclosure to the Committee of all material facts regarding any potential conflicts of interest.

STATEMENT OF GOALS AND OBJECTIVES

|

This statement is to set forth an appropriate set of goals and objectives for the Portfolio and to define guidelines within which the investment managers may formulate and execute their investment decisions.

- (1) The Portfolio will be managed with a long-term investment perspective with the intent that principal is preserved and enhanced over time. Total return, consistent with prudent investment management, is the primary goal. Total return, as used herein, includes income plus realized and unrealized gains and losses on the Portfolio ("Total Return").
- (2) The target total rate of return is stated as a range from 6.5 - 8.5%, net of investment expenses, compounded annually. This range takes into consideration the Portfolio spending policy, prudent investment expenses and the fact that capital market conditions and inflation change over time. At times it may be desirable to manage the Portfolio asset allocation at either the low end or high end of the range.
- (3) The total return for the overall Portfolio is expected to meet or exceed the Endowment's Policy Index (as described in Appendix I) and rank in the top-half of the custom peer group universe (for example, endowments and foundations with assets between \$0 and \$50 million, or a similar universe based on a reasonable sample size).
- (4) Total risk exposure and risk-adjusted returns will be regularly evaluated and compared with the peer group universe. Total portfolio risk exposure as measured by the standard deviation of return should generally rank in the mid-range of comparable portfolios.
- (5) Active investment managers are expected to strive to exceed, net of fees, the risk-adjusted return of the designated benchmark index. Passive managers are expected to closely match the return of the designated index.
 - a. The Committee is aware that there may be deviations from the stated performance targets. Normally, results are evaluated over a five- to ten-year time horizon, but shorter-term results will be regularly reviewed and earlier action taken if in the best interest of the Portfolio for Items 1-5 above.

INVESTMENT GUIDELINES

To achieve the total return objective, the following guidelines will be employed. The Committee recognizes that any statement of guidelines requires periodic update. Should any of these guidelines need revision or involve any imprudent risk to the assets under management, the investment manager is expected to immediately notify the investment consultant and recommend suitable modification. No investment will be made which might reasonably be expected to place in jeopardy the Foundation's exempt status under the U.S. Internal Revenue Code. It is the policy of the Committee to review these goals and objectives at least once per year and as appropriate, to communicate any material change thereto to the investment

managers. The asset allocation of the Portfolio should reflect the proper balance of need for liquidity, preservation of purchasing power, and risk tolerance. The targeted mix to achieve these goals is shown in Appendix I.

The Foundation recognizes the importance of integrating environmental sustainability factors into our investment decision-making process. In addition to complementing our ability to generate superior long-term financial returns, the integration of environmental sustainability factors may also lead to better social and environmental outcomes for The Foundation, our community, and our planet.

This is consistent with CSUMB's current environmental sustainability statement, below:

"CSUMB's broad approach to sustainability recognizes that the decisions we make today impact future generations. Through the lens of justice and equity we work in all areas of operations and teaching to respect, and respond to, the needs of our natural environment."

In general, The Foundation will seek over time to integrate more investment funds that consider environmental sustainability factors in the sourcing and due diligence process for Foundation investments.

REBALANCING GUIDELINES

The Committee authorizes staff and investment consultant to rebalance portfolio assets within the permissible ranges noted in Appendix I. Rebalancing actions will be reported and reviewed by the Committee every quarter. An asset class may be permitted to be above or below its permissible range with the approval of the Committee.

INVESTMENT MANAGERS

The assets of the Portfolio will be managed by external investment managers. Each manager's objective is to maximize total return and achieve results that compare favorably with their respective benchmarks and peers over the long term. An investment manager has full discretion to invest over the broad spectrum of opportunities within the global investment universe of the appointed mandate, provided the manager maintains high fiduciary standards and appropriate risk controls, and complies with the constraints as outlined in these guidelines.

Relationships are expected to be long term; however, an investment manager may be terminated at any time subject to the terms of any contract with said investment manager. Typical reasons for termination may include but are not limited to the following events:

- Restructuring of the investment manager portfolio asset allocation,
- Breach of fiduciary conduct,

- Non-adherence to these guidelines, or the manager's articulated investment strategy,
- Significant changes in the organization's structure or personnel,
- Loss of confidence in the organization's ability to add value,
- Lack of adequate internal controls, and
- Underperformed longer-term performance (typically 5 - 10 years).

Short-term underperformance, by itself, is not typically cause for dismissal; however, as the period of underperformance extends, it may be suggestive of personnel problems, faulty strategies, or a failure to control the investment process. As part of the Foundation's ongoing due diligence process, investment managers are reviewed on an ongoing basis, with quarterly updates provided by the Investment Consultant to the Investment Committee. The updates are centered on a process that monitors and evaluates each manager for changes in the organization, the investment process and performance versus the stated objective. Managers for which concerns, or potential issues have been identified are placed on a watch list, with the status of any manager on the list being reviewed at each quarterly Investment Committee meeting, with action taken (e.g., termination, removal from the watch list, or continued watch list status) as deemed appropriate and with support provided by the consultant.

The amount of assets an investment manager manages for the Portfolio may be increased or decreased as deemed appropriate by the investment consultant. Typical reasons for such adjustments may include but are not limited to the following events:

- To bring the equity and fixed income holdings of the total fund within Portfolio asset allocation guideline requirements,
- To raise cash to meet spending needs,
- To allocate contributions into the Portfolio, and
- To fund new investment managers or reallocate assets from terminated managers.

TRANSFER OF FUNDS & DONATION GUIDELINES

Funds may be admitted to the Portfolio at any time consistent with the Foundation's fiscal policies and procedures in connection with acceptance and administration of gifts. Typically, new money will be invested in the cash equivalent category until such time as the Investment Manager(s) can prudently invest those funds in the fixed income, equity, and/or alternatives components.

Unrestricted donations of marketable securities are to be liquidated in an orderly fashion unless they conform to the investment model as determined by the Investment Manager.

Assets acquired with special restrictions on substitution or sale should be managed in strict accordance with the instruction of the donor.

GUIDELINES FOR FIXED INCOME PORTFOLIO

Fixed income securities include obligations of the U.S. government and its agencies, corporate obligations, mortgage-backed securities, asset backed securities, commercial paper, certificates of deposit, Yankee bonds, emerging market debt and other instruments deemed prudent by the investment managers. Additionally, securities rated below investment grade (i.e., below BBB- by Standard & Poor's, or an equivalent rating by Moody's or Fitch) may be included if deemed prudent by the investment manager. This includes mandates that focus exclusively on below investment grade securities (including high yield, bank loans, less liquid or illiquid senior lending strategies and private debt), emerging market debt or other sectors of the fixed income market. Managers that hold broadly diversified portfolios that are more absolute return focused may be utilized as well.

Fixed-income securities are to be selected and managed to ensure appropriate balances in qualities and maturities, consistent with current market and economic conditions.

International fixed income managers may employ an active currency management program and deal in futures and options within the discipline of that currency management program. The use of futures and options to establish a leveraged position is prohibited.

The investment managers are responsible for making an independent analysis of the creditworthiness of fixed income securities and their appropriateness as an investment, regardless of the classification provided by the rating service.

GUIDELINES FOR EQUITIES

Equity securities may include common stocks, convertible preferred stocks, and debt securities convertible into equity securities. Strategies where the majority of the expected return is projected to be derived from investment in long only public equity may be classified as a public equity investment at the discretion of the investment consultant. Such investments, which may be held in a hedge fund structure and have the ability to short equity securities, shall provide liquidity no longer than on a quarterly basis.

International equity managers may employ an active currency management program and deal in futures and options within the discipline of that currency management program. The use of futures and options to establish a leveraged position is prohibited.

Decisions as to individual security selection, security size and quality, number of industries and holdings, current income levels, turnover and the other tools employed by active managers are left to broad manager discretion, subject to the usual standards of fiduciary prudence.

GUIDELINES FOR MULTI-ASSET STRATEGIES

|

These strategies include global asset allocation and hedge fund strategies where the manager has the strategy(ies) to improve portfolio diversification and generate attractive risk-adjusted returns, relative to equities and fixed income.

These strategies may employ either a passive or active / tactical approach regarding how the assets are invested. The strategies may include products that are focused on generating absolute or real returns compared to other strategies in the portfolio which may be more benchmark sensitive.

When selecting these strategies, consideration will be given to their potential ability to preserve capital in down markets and their ability to potentially hedge inflation risk. Hedge fund strategies may include direct strategies and fund of funds. The primary objective of these strategies is to provide more consistent returns than equities and provide increased diversification to the portfolio. Investments in direct hedge funds are permitted provided the return expectation and/or diversification benefits of such investments offset the reduced liquidity and transparency when compared to traditional investments.

GUIDELINES FOR PRIVATE MARKET AND OPPORTUNISTIC STRATEGIES

Private market investments include investments in private equity, venture capital, private debt and real assets that are illiquid. The objective of these investments is to earn a return in excess of public market equivalents with the goal of capturing an illiquidity premium that more than compensates for the lack of liquidity and the additional administrative burden compared to traditional investments. Opportunistic investments may include traditional, alternative, niche or hybrid strategies that are viewed attractive from a valuation standpoint. They may be offensive (return oriented) or defensive in nature (focus on protecting principal) depending upon capital market conditions. They may also be liquid or illiquid in nature.

GUIDELINES FOR CASH AND ENHANCED CASH STRATEGIES

The Foundation may hold short term funds for a variety of purposes. These funds may be designated for the ongoing operating support of the Foundation, grants awaiting distribution, the support of special projects or other gifts to the Foundation.

While a majority of these short-term funds must be readily accessible, the Foundation may, from time to time, have short term funds which will not be utilized for a defined period of time. The Foundation will notify the agent of the relevant facts upon the deposit of such funds. The Foundation will utilize mutual funds or commingled vehicles when investing the short-term assets. No individual securities may be purchased.

More than one investment vehicle may be utilized in the cash management process depending upon the investment horizon of the assets to be invested. The primary investment vehicle for very short-term liquidity needs should be a U.S. government money market fund that maintains

a \$1 NAV to protect principal value; the return generated is a secondary consideration. This fund(s) should have daily liquidity and be rated AAA by Standard and Poor's or Aaa by Moody's Investor Services.

For cash that has a longer time horizon before the funds will be needed (e.g., six months or more), investment in an enhanced cash vehicle is permitted. The effective duration of any fund employed should be less than twenty-five months, and the focus of the fund should be on very high-quality fixed income investments.

INVESTMENT RESTRICTIONS

The assets of the Portfolio may be held in segregated accounts which hold only assets belonging to the Portfolio, or in commingled vehicles. Given the asset size of the Portfolio, it is anticipated the majority of the assets will be held in commingled vehicles. When the Portfolio assets are invested in commingled vehicles such as mutual funds registered with the SEC under the Investment Company Act of 1940, limited partnerships or limited liability companies, it is accepted that such assets will be managed in accordance with the objectives, policies and restrictions set forth in the investment's prospectus, offering memorandum or applicable document that highlights the investment's guidelines. When investing in commingled vehicles, the consultant will select strategies that are consistent with goals and objectives of the Portfolio.

The Investment Consultant has the ability to invest in commingled pools that have the ability to lend securities. If given the option for a potential investment that offers the same strategy that does not lend securities, the bias is to enter into non-lending funds.

The following are prohibited investments that jeopardize the safety of principal concept or non-profit status of the Foundation. The following types or methods of investments are expressly prohibited:

- (1) Trading in securities on margin;
- (2) Investing in working interests in oil or gas wells;
- (3) Derivatives which increase portfolio risk above the level that could be achieved in the portfolio using only traditional investment securities. In addition, derivatives will not be used to acquire exposure to changes in the value of assets or indexes that by themselves would not be purchased for the portfolio. Derivative usage is strictly limited to use by underlying investment manager strategies.
- (4) Purchasing mortgages directly; and
- (5) Unregistered or restricted stock.

ROLES AND RESPONSIBILITIES

Investment Committee

The roles and responsibilities of the Committee are identified in the Investment Committee Charge which is included in Appendix II.

Investment Consultant

The Investment Consultant partners with the Committee to establish and adjust policy objectives and guidelines, including developing long-term asset allocation strategies. Within the discretionary mandate, the consultant is responsible for selecting an appropriate mix of investment manager styles and strategies and conducting all manager searches and selections. Additionally, the consultant will oversee performance calculation, evaluation, and analysis. The consultant is expected to provide timely and relevant information—both written and oral—on investment strategies, instruments, managers, and related topics, as needed by the Committee.

Investment Managers

The selection of investment managers is the responsibility of the Investment Consultant. Each investment manager retained is expected to meet with staff and/or the Committee upon request to review investment activity, results, and other relevant information. They are also required to provide quarterly reports within 30 days of the end of each quarter and to promptly communicate ~~communicate promptly~~ any material changes in the manager's organization, investment process, or philosophy.

Custodian Bank

The majority of the Portfolio's assets will be held in commingled vehicles and thereby the custodian will be appointed by the investment manager. The custodian is responsible for the safekeeping of assets held in separate accounts and all associated reporting and accounting requirements of the Foundation's staff.

STANDARDS OF INVESTMENT PERFORMANCE

Performance of this Portfolio will be evaluated on a periodic basis. Consideration will be given to the degree to which performance results meet the goals and objectives as set forth herewith. Toward that end, the following standards will be used in evaluating investment performance:

- (1) The compliance of each investment manager with the guidelines as expressed herein.
- (2) The extent to which the total rate of return performance of the Portfolio achieves or exceeds the targeted goals.

- (3) All investment managers shall manage and invest the assets in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

FOUNDATION ADMINISTRATIVE COSTS

Endowment accounts are subject to a 1.00% administrative fee to reimburse the Foundation for expenses related to endowment administration.

IMPLEMENTATION

All ~~moneys~~ monies invested for the Portfolio by its investment managers after the adoption of this Investment Policy are expected to conform to this policy.

ADOPTION

The Policy was most recently revised and approved by the Foundation Board of Trustees at a meeting on DECEMBER 13th, 2024.

APPENDIX I
FOUNDATION OF CALIFORNIA STATE UNIVERSITY, MONTEREY BAY
ENDOWMENT PORTFOLIO INVESTMENT POLICY STATEMENT
ASSET CLASSES, TARGETS AND RANGES
LONG TERM

The rate of return target for the Portfolio is stated as a range from 6.5 - 8.5 %. In order to have a reasonable probability of earning the desired level of return over a market cycle, the Committee has adopted the long-term asset allocation policy detailed below.

ASSET CLASS	TARGET %	PERMISSIBLE % RANGE	BENCHMARK
CASH	1.0%	0.0% – 5.0%	90 Day U.S. T-Bill
Cash	1.0%	0.0% - 5.0%	90 Day U.S. T-Bill
FIXED INCOME	16.0%	10.0% - 30.0%	Bloomberg Agg.
Core Fixed Income	11.0%	0.0% - 30.0%	Bloomberg Agg.
Core Plus Fixed Income	0.0%	0.0% - 15.0%	Bloomberg Agg.
Opportunistic/Multi-Asset Credit	5.0%	0.0% - 15.0%	Bloomberg Global Agg.
U.S. EQUITY	29.0%	20.0% - 40.0%	Russell 3000
U.S. All Cap Equity*	19.0%	10.0% - 40.0%	Russell 3000
U.S. Large Cap Equity*	10.0%	5.0% - 28.0%	S&P 500 / Russell 1000 ESG <u>FTSE US Choice</u>
U.S. Mid Cap Equity	0.0%	0.0% - 8.0%	Russell Mid Cap
U.S. Small Cap Equity	0.0%	0.0% - 4.0%	Russell 2000
NON-U.S. EQUITY	16.0%	10.0% - 20.0%	MSCI ACWI ex US IMI
International Developed Large Cap Equity**	8.0%	5.0% - 12.5%	MSCI EAFE / ESG Leaders Index
International Developed Small Cap Equity	3.0%	2.0% - 5.0%	MSCI EAFE Small Cap
Emerging Market Equity	5.0%	3.0% - 7.5%	MSCI Emerging Markets
REAL ASSETS	8.0%	0.0% - 15.0%	50% NFI – ODCE / 50% CPI
Private Real Estate	4.0%	0.0% - 8.0%	NFI - ODCE
Private Infrastructure	4.0%	0.0% - 8.0%	Consumer Price Index (CPI)
ALTERNATIVES	30.0%	10.0% - 35.0%	Custom***
Private Credit/Debt	5.0%	0.0% - 15.0%	Custom***
Private Equity/Venture	25.0%	0.0% - 30.0%	Custom***

* The U.S. Large Cap Equity exposure will be split equally between the indexed exposure and environmental sustainability sensitivity strategies.

** The International Developed Large Cap Equity exposure will be split equally between the index exposure and environmental sustainability strategies.

***The custom benchmark for the private market / alternatives category is tied to the composition of the managers employed to invest those asset classes.

ENDOWMENT POLICY INDEX

The Policy Index is a custom benchmark designed to indicate the returns which a passive investor would earn by consistently following the asset allocation targets set forth in this investment policy statement. The Policy Index is useful in separating the impact of investment policy from execution of the investment strategy in evaluating the performance of the Foundation's investment program. The Policy Index is calculated per the below:

ASSET CLASS	TARGET %	BENCHMARK
CASH	1.0%	90 Day U.S. T-Bill
FIXED INCOME & REAL ASSETS	25.0%	Bloomberg Agg.
EQUITIES & ALTERNATIVES	60.0%	MSCI ACWI IMI
EQUITIES – U.S. ENVIRONMENTAL SENSITIVITY	10.0%	Russell 1000 ESG FTSE US Choice Index
EQUITIES – NON-U.S. ENVIRONMENTAL SENSITIVITY	4.0%	MSCI EAFE ESG Leaders Index

FOUNDATION OF CALIFORNIA STATE UNIVERSITY, MONTEREY BAY
ENDOWMENT PORTFOLIO INVESTMENT POLICY STATEMENT
ASSET CLASSES, TARGETS AND RANGES

SHORT-TERM
(0 – 3 years)

The rate of return target for the Portfolio is stated as a range from 6.5 - 8.5 %. In order to have a reasonable probability of earning the desired level of return over a market cycle, the Committee has adopted the short-term asset allocation policy detailed below.

ASSET CLASS	TARGET %	PERMISSIBLE % RANGE	BENCHMARK
CASH	1.0%	0.0% - 5.0%	90 Day U.S. T-Bill
Cash	1.0%	0.0% - 5.0%	90 Day U.S. T-Bill
FIXED INCOME	20.0%	15.0 – 30.0%	Bloomberg Agg.
Core Fixed Income	0.0%	0.0% - 30.0%	Bloomberg Agg.
Core Plus Fixed Income	20.0%	17.0% - 23.0%	Bloomberg Agg.
Opportunistic/Multi-Asset Credit	0.0%	0.0% - 15.0%	Bloomberg Global Agg.
U.S. EQUITY	37.0%	25% - 45.0%	Russell 3000
U.S. All Cap Equity	24.0%	20.5% - 27.5%	Russell 3000
U.S. Large Cap Equity*	13.0%	11.0% - 15.0%	S&P 500 / FTSE US Choice
U.S. Mid Cap Equity	0.0%	0.0% - 8.0%	Russell Mid Cap
U.S. Small Cap Equity	0.0%	0.0% - 4.0%	Russell 2000
NON-U.S. EQUITY	20.0%	15.0%-25.0%	MSCI ACWI ex US IMI
International Developed Large Cap Equity**	10.0% <u>10.5%</u>	8.5%–11.5% <u>9.0% - 12.0%</u>	MSCI EAFE / ESG Leaders Index
International Developed Small Cap Equity	4.0% <u>3.5%</u>	3.0%–5.0% <u>3.0% - 4.0%</u>	MSCI EAFE Small Cap
Emerging Market Equity	6.0%	5.0% - 7.0%	MSCI Emerging Markets
REAL ASSETS	9.0%	0.0% - 15.0%	50% NFI-ODCE / 50% CPI
Private Real Estate	3.5%	0.0% - 8.0%	NFI - ODCE
Private Infrastructure	5.5%	0.0% - 8.0%	Consumer Price Index (CPI)
ALTERNATIVES	13.0%	10.0% - 35.0%	Custom***
Private Credit/Debt	10.0%	0.0% - 15.0%	Custom***
Private Equity/Venture	3.0%	0.0% - 30.0%	Custom***

* The U.S. Large Cap Equity exposure will be split equally between the indexed exposure and environmental sustainability sensitivity strategies.

** The International Developed Large Cap Equity exposure will be split equally between the index exposure and environmental sustainability strategies.

***The custom benchmark for the private market / alternatives category is tied to the composition of the managers employed to invest those asset classes.

ENDOWMENT POLICY INDEX

The Policy Index is a custom benchmark designed to indicate the returns which a passive investor would earn by consistently following the asset allocation targets set forth in this investment policy statement. The Policy Index is useful in separating the impact of investment policy from execution of the investment strategy in evaluating the performance of the Foundation's investment program. The Policy Index is calculated per the below:

ASSET CLASS	TARGET %	BENCHMARK
CASH	1.0%	90 Day U.S. T-Bill
FIXED INCOME & REAL ASSETS	29.0%	Bloomberg Agg.
EQUITIES & ALTERNATIVES	52.0%	MSCI ACWI IMI
EQUITIES – U.S. ENVIRONMENTAL SENSITIVITY	13.0%	Russell 1000 ESG Index FTSE US Choice Index
EQUITIES – NON-U.S. ENVIRONMENTAL SENSITIVITY	5.0%	MSCI EAFE ESG Leaders Index

APPENDIX II

INVESTMENT COMMITTEE CHARGE

CHARGE

The Investment Committee is responsible for overseeing the management of the university's endowment portfolio in collaboration with the OCIO (Outsourced Chief Investment Officer) investment consultant. Key duties include engaging and evaluating investment consultants and managers, ensuring alignment with the endowment's objectives, and performing additional responsibilities as assigned by the Board of Trustees.

COMMITTEE STRUCTURE

The Investment Committee shall be comprised of industry professionals, key stakeholders, university staff, as well as representatives from both the Foundation and Corporation. The Committee is chaired by a designated member. The Committee shall meet regularly to review the endowment's performance and strategy, providing timely updates to the Board as requested.

RESPONSIBILITIES

The specific responsibilities of the Investment Committee relating to the investment management of assets include:

- (1) Establishing reasonable and consistent investment objectives, policies and guidelines that will direct the investment of the assets;
- (2) Determining the risk tolerance and investment time horizon and communicating these to the appropriate parties;
- (3) Conveying the financial needs of the Foundation to the investment consultant on a timely basis;
- (4) Prudently and diligently selecting qualified investment professionals, including the investment consultant(s);
- (5) Quarterly evaluation of the performance of all investments to both monitor investment objective progress and assure adherence to Policy guidelines;
- (6) Periodic review of these guidelines to ensure consistency and to make changes to meet evolving circumstances;
- (7) Developing and enacting proper controls and procedures.

APPENDIX III
SOCIALLY RESPONSIBLE INVESTING POLICY

INTRODUCTION

The Board of Trustees of the California State University adopted resolution RFIN 7-78-6 regarding Social Responsibility and Investments. This resolution urges auxiliary boards that make corporate investments to issue statements of social responsibility and to follow those precepts in examining past and considering future investment policies.

POLICY

The Foundation Board of Directors recognizes and accepts its social responsibility with respect to the investment of funds. However, recognizing the increasingly complex nature of the contemporary economic world and the trade-offs that need to be made given the Foundation's current asset size, the Foundation will be guided by the following practical considerations about investment decisions:

The primary fiduciary responsibility in investing and managing the Foundation's economic assets is to maximize the financial return on those resources, taking into account the amount of risk appropriate for the assets.

The Foundation shall not attempt to achieve absolute "purity" in its investment portfolio nor spend scarce resources searching for problems in the investment portfolio. However, those examples brought the Foundation's attention will be analyzed as carefully and objectively as possible.

It is recognized that investments in pooled funds, which the Foundation may select for diversification or cost management purposes, cannot be controlled or modified. The Foundation shall carefully consider possible social concerns pertaining to investments within pooled funds; however, the Foundation must balance the cost associated with correcting ethical concerns relative to its overall financial objectives.

ADOPTION AND REVIEW

The Foundation Board of Directors has adopted this Socially Responsible Investing Policy, Dated: April 2011 and reviewed as of the reference date of this investment policy statement.

The Investment Committee of the Foundation Board of Directors will review this policy five years from its adoption date to determine its effectiveness and appropriateness. The policy may

|

be evaluated before that time as necessary to reflect Socially Responsible Investing Policy substantial organizational, financial, or physical change(s) at the Foundation or any change required by law or by other governing policy. Any proposed amendments or variations of this policy would require a majority approval by the Foundation Board of Directors.

TO: Board of Directors **DATE:** March 3, 2025
FROM: Gordon McDougall, Foundation CEO VIA **REF:** March 14, 2025
Nancy Ayala
SUBJECT: Gift Acceptance Policy

INFORMATIONAL

The changes to the Gift Acceptance Policy are technical in nature and non-substantive, so they do not require Board of Directors approval under the [Technical Amendments Policy](#).

BACKGROUND

The Gift Acceptance Policy was updated to include revised titles and campus departments. No other changes were made, the policy remains relevant.

GIFT ACCEPTANCE POLICY

I. Introduction

Annually, CSUMB receives thousands of proposals for many types of private support including gifts, private grants, sponsorships, and partnerships. Prior to acceptance, all proposals must be reviewed to identify any aspect of the offer that might pose a potential or real risk. Some of the more common reasons for not accepting an offer of private support include:

- Prohibitive cost of sale or maintenance
- Inappropriate for CSUMB due to content, restrictions, timing, or tangible utility
- Acceptance would carry too much risk

The Foundation does not knowingly accept gifts from terrorists or terrorist organizations and does not accept gifts when the legal donor is not known.

Most gifts require very little review. Some, by their nature, require considerable scrutiny and demand full evaluation. Others may require some form of investigation, but not necessarily a full review. Examples might include getting an appraisal or obtaining feedback from a campus administrator about the utility of a proposed gift. Some types of gifts, such as real property and software, have special review and valuation requirements. Acceptance procedures for specific types of gifts are described in the Gift Processing Procedures section of the Private Gift Procedure Reference Manual.

Because every potential gift and every potential giving situation is unique, each must be closely evaluated on an individual basis to address pertinent questions and concerns. For this reason, there can be no single policy for evaluating the acceptability of all gifts. Instead, provided below is a standard procedure for the careful evaluation of all gifts offered to the University.

Generally, all gifts become the property of the Foundation. Exceptions may be made on a case-by-case basis. Title may also be transferred to the University or other entities as appropriate and allowed by the law.

University Advancement plays a key role in coordinating the acceptance process and evaluating proposals for acceptability. At the discretion of the Vice President of ~~Development~~Advancement, a proposal may be directed to the Gift Review Committee for a full evaluation. Ultimately, the Foundation is responsible for determining the acceptability of all offers for private support

II. Gift Review Committee

Offers of private support that pose any question of propriety, value, or risk must be evaluated by the Gift Review Committee before the gift can be formally accepted. The Gift Review Committee reviews all aspects of the proposal and makes a formal recommendation to the Foundation Board.

A. Committee Composition – The CSUMB President appoints the members of the Gift Review Committee with general composition as follows:

1. Vice President of DevelopmentAdvancement, Committee Chair
2. Provost and Vice President for Academic Affairs (or designee)
3. Vice President for Administration and Finance (or designee)
4. Vice President for Student Affairs (or designee)
5. President of Associated Students
6. Chair of the Academic Senate (or designee from the Committee on University Advancement)
7. Chair of the Foundation Board of Directors
8. Director for Sponsored Programs Office

The quorum for action will be four of the appointed members of the Committee.

Depending on the nature and potential impact of a proposed gift, other campus representatives (Chief Information Officer, Director of Campus Planning and Development, Associate Vice President for Campus Planning and DevelopmentAdvancement, Director of Athletics, faculty members, etc.) and professional/technical consultants may be invited, directed, or hired to assist with the evaluation process.

B. Meeting Schedule – Meetings are convened at the discretion of the Committee Chair. The Committee's ability to convene reasonably quickly in order to evaluate a time-sensitive gift's potential and viability is of the utmost importance, ideally within two weeks of initial inquiry by a prospect.

III. Review Procedures

The following denotes the general step-by-step procedures for reviewing a potential gift. Variations may apply depending on the nature of the proposal:

- A. University DevelopmentAdvancement identifies a proposal for private support that poses real or potential risks to the University impacting its acceptability.
- B. The Vice President of DevelopmentAdvancement determines that the proposal needs to be evaluated by the Gift Acceptance Committee and convenes a meeting.

- C. The proposal is presented to the Committee, usually by a development officer, staff members, faculty members or campus contact. Part A of the Gift Acceptance Form, which can be found in the Private Gift Procedure Reference Manual, can be used to organize the presentation of information. Ideally, the presenters will have obtained all pertinent documents, rulings, legal opinions, appraisals, statements, etc. before the meeting. It is the responsibility of the presenters to divulge all reasonably known risks and benefits associated with the potential gift.
- D. The Committee reviews the details of the gift. Additional information might be requested as appropriate and the Committee may need to reconvene. For example, potential gifts involving changes to the Campus Master Plan require an analysis by Campus Planning, Design and Construction. ~~Campus Planning and Development~~.
- E. The Committee may consider other criteria, such as the cost of obtaining additional information, in determining acceptability and whether the proposal is consistent with CSUMB's values as depicted in the Vision Statement, Strategic Plan, or other official campus documents.
- F. The Committee issues a recommendation to the Foundation Board based on all of the information available. The Committee may either vote to recommend accepting the proposal, declining the proposal, or accepting the proposal with conditions. A copy of the Committee's recommendation and the Foundation Board's ultimate decision, including all criteria, conditions, and supporting documentation will be placed in the donor file.

IV. Special Acceptance Considerations

Payments made by an individual or organization on behalf of another must be carefully evaluated for acceptability. There are strict laws and restrictions governing pass-through payments, donor-advised funds, and self-dealing through the Foundation. Legal counsel may be required in some situations.

Payments directed to a specific individual are not gifts.

Once a donation is made, the donor cannot subsequently direct or manage how the donated funds are disbursed.

For employees of CSUMB or the Foundation, donating becomes an issue when donations are given in support of their own programs at CSUMB. Such donations are only acceptable if the following conditions are met:

- There is no direct or indirect benefit to the donor,
- The individuals with signature authority for disbursing the donated funds are responsible for assuring that all expenditures comply with relevant policies, rules, regulations, and codes of ethics, and

- Deficit spending of these funds is not permitted.

V. Adoption and Review

The Foundation Board of Directors has adopted this ~~Signature Authorization~~Gift Acceptance-Policy, dated April 2011.

1. The Board adopted Revision B of this Gift Acceptance Policy on 13 June 2014
2. The Board reviewed Revision B of this Gift Acceptance Policy and determined that it remains effective on March 14, 2025.

The Foundation Board of Directors will review this policy five years from its adoption date to determine its effectiveness and appropriateness. The policy may be evaluated before that time as necessary to reflect substantial organizational, financial, or physical change(s) at the Foundation or any change required by law or by other governing policy.

Any proposed amendments or variations of this policy would require a majority approval by the Foundation Board of Directors.

VI. Related Documents

Private Gift Procedures Reference Manual

TO: Board of Directors
FROM: Gordon McDougall

DATE: March 7, 2025
REF: March 14, 2025

SUBJECT: Policy Review

RECOMMENDATION

Approve the sunseting of two policies and the adoption of two CSU policies to replace them

BACKGROUND

The Foundation strives to align with University (CSU) policies and procedures wherever possible, aiming to reduce redundancy and prevent confusion within the campus community. The following two policies are proposed for sunseting, with the Foundation adopting the relevant CSU Policy.

- Community Relations Policy will be sunsetted and replaced with the [CSU Hospitality Policy](#).
- Records Retention Policy will be sunsetted and replaced with the [CSU Systemwide Records Information Retention and Disposition Schedules Implementation Policy](#).

At the meeting on Friday, March 14, 2025, the Board will be asked to approve the sunseting of two policies and the adoption of two CSU policies to replace them.

If you have any questions please contact nayala@csumb.edu.

Community Relations Policy

I. Introduction

Title 5, California Code of Regulations, Section 42502(i) requires that each campus develop a policy on the accumulation and use of public relation funds. This policy should include “the policy and procedure on solicitation of funds, source of funds, amounts, and purpose for which the funds will be used, allowable expenditures, and procedures of control.”

Executive Order 761 from the Office of the Chancellor requires that each campus develop written policies and procedures regarding hospitality expenses.

II. Policy

The University Corporation at Monterey Bay has developed guidelines that comply with Executive Order 761. The Foundation of California State University, Monterey Bay (the “Foundation”) hereby adopts the Corporation’s Community Relations Policy in its entirety.

III. Adoption and Review

The Foundation Board of Directors has adopted this Community Relations Policy, dated June 2016.

This Community Relations Policy will be reviewed ten years from its adoption date to determine its utility and appropriateness. If circumstances require, this policy may be evaluated before that time to ensure compliance with substantial organizational, financial, or physical change(s) at the Foundation or any change required by law or other governing policy. Any proposed amendments or variations of this policy would require a majority approval by the Foundation Board of Directors.

IV. Related Documents

- A. Corporation Community Relations Policy
- B. Title 5 California Code of Regulations Section 42502(i)
- C. Executive Order No. 761: Hospitality, Payment or Reimbursement of Expenses

Hospitality Policy

I. Policy

The California State University (the “CSU”) developed a policy that governs the manner and extent to which the CSU and its auxiliaries may provide hospitality.

The Foundation hereby adopts, in its entirety, CSU’s Hospitality Policy.

II. Adoption and Review

- A. The Foundation Board of Directors has adopted this Hospitality Policy, dated March 2025.
- B. Any proposed amendments of this policy would require a majority approval by the Foundation Board of Directors.

III. Related Documents

CSU Hospitality Policy

RECORDS RETENTION POLICY

I. Policy

The University Corporation at Monterey Bay (the "Corporation") has developed a policy that provides guidelines for records management that ensures compliance with statutory and regulatory requirements, and helps to promote best governance practices by preserving institutional history while limiting potential fiscal liabilities.

The Foundation hereby adopts, in its entirety, the Corporation's Records Retention Policy.

II. Adoption and Review

- A. The Foundation's Board of Directors has adopted this Records Retention Policy, dated 12 June 2015.
- B. This policy shall be evaluated ten years from its adoption date to determine its effectiveness and appropriateness. The policy may be evaluated before that time as necessary to reflect substantial organizational, financial, or physical change(s) at the Foundation or any change required by law or by other governing policy.
- C. Any proposed amendments or variations of this policy would require a majority approval by the Foundation Board of Directors.

III. Related Documents

- A. Executive Order No. 1031
- B. Corporation Records Retention Policy

RECORDS RETENTION POLICY

I. Policy

The California State University (the “CSU”) developed a policy that provides guidelines for records management that ensures compliance with statutory and regulatory requirements, and helps to promote best governance practices by preserving institutional history while limiting potential fiscal liabilities.

The Foundation hereby adopts, in its entirety, [CSU’s Systemwide Records Information Retention and Disposition Schedules Implementation Policy](#).

II. Adoption and Review

- A. The Foundation’s Board of Directors has adopted this Records Retention Policy, dated 12 June 2015.
- B. The Board adopted Revision B of this Records Retention Policy.
- C. Any proposed amendments or variations of this policy would require a majority approval by the Foundation Board of Directors.

III. Related Documents

Systemwide Records Information Retention and Disposition Schedules Implementation Policy