



Board of Directors Meeting

Friday, June 11, 2021 9:01 a.m. – 10:34 a.m.
Virtual meeting via Zoom

Minutes

Board Members Present		Members Absent
Bettye J. Saxon, Ed.D., Chair	Eduardo Ochoa, President	Anna M. Caballero, Director
Barbara Zappas, CEO	Debbie Juran, Secretary	Gordon Eubanks, Director
Michael McMillan, Director	Ralph Thompson III, Director	Mac Clemmens, Director
Steven Packer, M.D., Director	Bud Colligan, Director	Miles Reiter, Director
Ted Balestreri, II, Director	Betsey Pearson, Director	
David Ledesma, Director	Carrie McIntyre Panetta, Director	
Stephen Mackey, Director	Gregory Gonzalez, Director	
Presenters:		Staff Present
Sherry Baggett, Auxiliary Controller		Starr Lee, Corp. Associate E.D.
Larry Samuels, Vice President for Strategic Initiatives		Nancy S. Ayala, Gov. & Compl. Mgr.
Katherine Kantardjjeff, Vice President for Academic Affairs		
Bud Colligan, Investment Committee member		
Christopher Forest, Professor, Program Director		

Annual Meeting

- I. Call to Order:** A quorum being established, Chair Bettye Saxon called the meeting to order at 9:01 a.m.
- II. Governance:**
 - A. Nominating Committee Report: Moved by Director Steven Packer, M.D. and seconded to elect the Directors as presented. With no further discussion, the motion carried.
 - B. Election of Board Officers: Moved by Director Ted Balestreri and seconded to adopt the slate of Officers as presented. With no further discussion, the motion carried.
 - C. Appointment of Standing Committee Members: Moved by Director Ralph Thompson and seconded to adopt the standing committee appointments as presented. With no further discussion, the motion carried.
- III. Approval of Minutes:** Moved by CEO Barbara Zappas and seconded to approve the March 12, 2021 meeting minutes as presented. With Directors Carrie McIntyre Panetta, Ted Balestreri abstaining, the motion carried.
- IV. Business:**
 - A. 2021/22 Budget Approval: Controller Sherry Baggett presented the 2021/22 Budget Request, noting that the Foundation does not generate Operating Revenue beyond interest income. The budgeted amount of \$275,266 is the University Corporation’s subsidy. It was noted that since the Corporation subsidizes the Foundation, donor contributions are 100% devoted to the intended philanthropic objective. The Foundation is the only auxiliary in the CSU that does not charge a gift fee. Moved by Director Debbie Juran and seconded to approve the 2021/22 budget. With no further discussion, the motion carried.
 - B. Bylaws Amendment: Foundation CEO Barbara Zappas presented the first reading of the proposed bylaws amendment. The proposed amendments are to eliminate the ex officio role of the Development Director because the position has been eliminated from the University. President Ochoa also recommends that the two lead officers of the Foundation and Corporation serve on each other’s board as non-voting members. The recommendation is supported by management. There is no action to be taken at this time.

V. Reports

- A. President's Report: President Ochoa provided an update on University activities.
- **Budget**: President Ochoa presented the 21/22 Campus Operating Fund Forecast draft noting that the campus will receive an increase of approximately \$6.3M from the prior year in State funding. The University was also eligible to receive one-time Federal funds awarded of \$48.8M. Approximately \$20.5M went directly to students and \$28.1M to the campus. It was noted that some of the campus funds must be used for COVID-related expenses per grant guidelines.
 - **Public-Private Partnership (P3) Request for Proposal (RFP)**: Vice President for Strategic Initiatives Larry Samuels reported on two private, public partnerships in the works. The first RFP is to develop a mixed-use development that will be located on 2nd Avenue. This development will have research and development space for faculty and student partnerships with the private sector, student amenities, housing geared towards active seniors. The Board of Trustees approved the concept of this project at their most recent Trustee meeting. Completion of the project is anticipated to be in 2024. The second RFP is to condition Freeman Stadium into a large-scale athletic/entertainment complex on campus for the Monterey Bay Football Club to utilize. The partnership with the Monterey Bay Football Club is to develop a professional USL soccer franchise on campus and using Freeman Stadium as their home field. Renovations of the stadium are estimated at approximately \$10M.
 - **Returning to Campus**: President Ochoa announced the plans to repopulate the campus in time for the fall semester noting that 50% of classes will be face to face and 40% virtual and 10% mixed mode. The campus requires the vaccine for students in the residence halls, resulting in approximately 50% of the standard student body being on campus and guaranteed to be on campus and available for face-to-face classes. The CSU is in the process of finalizing the meet and confer portion of the Vaccine Policy with the unions, which would require all CSU employees and students to be vaccinated or have exemptions to be on campus.
 - **VP Appointments**: President Ochoa announced the new vice president appointments of the University. Former Chief of Staff Larry Samuel's new position as the Vice President for Strategic Initiatives and Executive Director of the University Corporation, effective April 1. Interim Vice President for Student Affairs John Fraire is effective April 26. Vice President for Administration and Finance Glen Nelson, effective June 14.
 - **Athletics Restart**: The Athletics program will begin in the fall. Student-athletes and staff made an early commitment to vaccination.
- B. CEO's Report: CEO Barbara Zappas reported on Foundation's activities thanking directors who agreed to continue serving on the board. Regarding Athletics, coaches have been engaged and had great success in building athletics' fundraising efforts, including matching gifts from local attorney Robert Taylor. The end of the fiscal year is June 30; the fundraising goal of \$6.7M was exceeded and is currently at \$6.9M. Ms. Zappas reported the significant change in the number of college deans' turnover and will spend time building fundraising plans for the new fiscal year with each of the incoming deans. The Engineering Program area is still looking for support and the building. This need will carry over to the new fiscal year as well as the Ag program. In the area of Communications, CSUMB Now is the new campus publication for the community. Last year and a half, Communications has focused on consolidating communications in refreshing the University-wide brand, including the University website. Ms. Zappas and her team are currently assessing when public events can be held safely on campus, such as the Women's Leadership luncheon and Donor Appreciation Reception.
- C. Investment Committee Report: Investment Committee Member Bud Colligan reported on the investment committee activities. The endowment has \$34.2M with a five-year return of 9.3% versus the policy index of 9.7%. The ten-year return is 7.6% versus the policy index of 7.58%,

slightly overperforming the policy index. The growth of the endowment, which will not grow simply through returns, requires a lot more contributions, and increased from \$29M at the beginning of 2020 to \$32M by the end of 2020, partially due to Ms. Zappas and her team's fundraising efforts. The Committee changed an underperforming emerging markets manager at the recommendation of the investment consultant, Verus. The Committee discussed the value orientation of the portfolio and will decide in future meetings whether to keep the portfolio as is or change it.

- D. Chair's Comments: Chair Saxon commended President Ochoa for the progress the University has made in spite of the pandemic including putting safety measures in place to return to campus in fall.

VI. Presentations

Master of Science Physician Assistant (MSPA) program: Dr. Christopher Forest presented data regarding the MSPA program.

VII. Open Communications/Announcements: Ms. Zappas presented the certificate of appreciation to Director Miles Reiter whose term with the Board has ended.

VIII. Adjournment: With no further business to conduct and no objection, the meeting was adjourned at 10:34 a.m.

Debbie Juran

Debbie Juran (Sep 28, 2021 14:43 PDT)

Deborah Juran, Secretary

09/28/2021

Date