



**Board of Directors Meeting**

Friday, June 7, 2024 9:13 a.m. – 11:03 a.m.  
 University Center and Virtual meeting via Zoom

**Draft, Minutes**

<b>Board Members Present</b>		<b>Members Absent</b>
Bettye J. Saxon, Ed.D., Chair	Vanya Quiñones, Ph.D., President	Sandor Nagy, Director
Ian Oglesby, Director	Rachel Molatore, Director	Alan L. Fisher, Director
Caroline MacDonald, Director	Mac Clemmens, Director	
Robert Behl, Director	Adrian Villalpando, Director	
Jonathan Merrill, Director	Greg Gonzalez, Director	
Martha Lynn, Director	Susan Lansbury, Director	
Ted Balestreri, II, Director	Arlene Haffa, Director	
Pete Delgado, Director	Betsey Pearson, Director	
Debbie Juran, Secretary		
<b>Presenters:</b>		<b>Staff Present</b>
Rick Paradis, AVP of Development		Nancy Ayala, Gov. & Compl. Mgr.
Michal-Anne Miller, AVP of Finance		
Katie LaPlace, Chief of Staff and Director of Administration and Finance		
Andrew Lawson, Provost and VP for Academic Affairs		
Ben Corpus, VP for Enrollment Management and Student Affairs		
Gifford Lehman, Investment Committee Chair		
Aaron Bryant, Associate Vice President Communications & Marketing		

**Annual Meeting**

- I. Call to Order:** A quorum being established, Chair Bettye Saxon called the meeting to order at 9:13 a.m.
- II. Governance:**
  - A. Nominating Committee Report: Moved and seconded to elect the Directors as presented. With no further discussion, the motion carried.
  - B. Election of Board Officers: Moved and seconded to adopt the slate of Officers as presented. With no further discussion, the motion carried.
  - C. Appointment of Standing Committee Members: Moved and seconded to adopt the standing committee appointments as presented. With no further discussion, the motion carried.
- III. Adjournment:** With no further business to conduct and no objection, the meeting was adjourned at 9:20 a.m.

**Regular Meeting**

- I. Call to Order:** A quorum being established, Chair Bettye Saxon called the meeting to order at 9:20 a.m.
- II. Approval of Minutes:** Moved and seconded to approve the March 8, 2024 meeting minutes as presented. With Director Pete Delgado abstaining the motion carried.
- III. Public Comment:** There were no requests made to address the Board.
- IV. Business:**

- A. Endowment Administrative Fee: Associate Vice President of Development Rick Paradis presented a proposed 2% endowment administrative fee for endowments and invested funds. Mr. Paradis announced that this would be an introductory discussion regarding the proposed fee with the Board following discussions over the next few months in hopes of bringing this to a vote at the September board meeting. The purpose of the proposed fee is to provide a revenue source that allows the Foundation to cover existing expenses and invest in future fundraising activities. This will also allow for greater transparency through a more detailed budget with actual expenses and revenue. All Foundation-related expenses are covered by the University Corporation, a sister auxiliary at CSUMB. This relationship has existed for many years and greatly benefits the Foundation. Foundation-related expenses have been on the rise, and with a view toward the future, a more significant investment in fundraising to benefit the University and its students is envisioned. A significant blended comprehensive capital campaign has begun, and additional resources are required to raise more substantial money. As the current budget indicates, a significant investment is required. Given current economic realities at the state level and the increased draw on Corporation resources, the Foundation must generate resources to sustain current activities and investment in future program enhancements. CSUMB is the only CSU not charging a gift or administrative fee. It was noted that the proposed 2% fee would be one of the highest in the CSU. Director Mac Clemmens noted that he supports the fee but would request at least an annual report of how fees are used. Director Robert Behl proposed a subcommittee to vet the proposed fee for the Board before the September meeting. President Vanya Quiñones noted that the capital campaign will be costly, and it does not benefit the Foundation to have the University Corporation auxiliary pay and have the power to reject the expense. It behooves the Foundation to generate its own revenue so costs such as these can be monitored by the Foundation only. President Quiñones noted that staff will return with a new proposal. Chair Saxon noted that a subcommittee will be formed to flesh out the administrative fee and its purpose in greater detail. The subcommittee will work with staff to gather this data. Chair Saxon requested that board members volunteer to work with Director Behl. Directors Greg Gonzalez, Caroline MacDonald, and Ian Oglesby volunteered to sit on the subcommittee.
- B. 2024/25 Budget Request Consideration: AVP of Development Rick Paradis presented the 2024/25 Budget Request, noting that the Foundation does not generate Operating revenue. The Foundation's expenses are subsidized by the University Corporation. Donor contributions are 100% devoted to their intended philanthropic objectives. Director Behl noted reservations about passing the budget in its current state. President Quiñones motioned to approve the budget as it stands and that the Board will review a revised budget once the endowment administrative fee is approved. Moved by Director Oglesby and seconded to approve the 2024/25 budget request with the caveat that the Foundation will review the budget again once the fee is approved. With no further discussion, the motion carried.

## V. **Reports**

- A. President's Report: President Quiñones reported on University activities, noting Commencement, goals, and Administration changes, noting Interim Provost Andrew Lawson was appointed as the permanent Provost and Vice President for Academic Affairs. Searches for vacancies in the Administration will begin in the fall. President Quiñones reported that the CSU issued a statement regarding divestment, which states, "In light of its fiduciary responsibilities and existing policies governing the assessment of environmental, social, and governance risks, the California State University does not intend to alter existing investment policies related to Israel or the Israel-Hamas conflict. Because of state law and CSU's investment policy restrictions, CSU does not invest in direct equities in any companies. The system does invest in mutual funds, bonds, and other instruments." Based on the CSU stance, the Foundation will continue to utilize its investment policies as they stand.

- B. CFO's Report: Associate Vice President of Finance Michal-Anne Miller presented the CFO report on behalf of the CFO. Ms. Miller noted that this budget presentation does not include Foundation funds, only University funds, which are not commingled. For 2024/25, the University will face an estimated deficit of between \$11.2M to \$12M. For 2025/26, the estimated deficit ranges from \$14.7M to \$19M. These estimated deficits will stand if the University does nothing. The University has completed the following to avoid said deficits: hiring chill, voluntary separation incentive program, increased student-faculty ratio, holding salary savings from vacant lines, eliminating vacant lines, and layoffs. The following steps may include a hiring freeze, merging departments/colleges, reorganizing administrative units, sharing services, travel restrictions, and purchasing efficiencies. Katie LaPlace, Chief of Staff and Director of Administration and Finance presented capital improvements on campus, which include the Edward (Ted) Taylor Science and Engineering Building, greenhouses with research and learning farms, a Health Sciences and Human Services Building, a baseball infield turf upgrade, 300 more beds in East Campus, Residence Halls – 1,000 new beds.
- C. Campaign Update: Associate Vice President Rick Paradis presented the RippleEffect fundraising campaign for CSUMB.
- D. Provost Report: Provost Andrew Lawson provided an update on Academic Affairs noting a student success retreat and new programs at the University.
- E. Enrollment Management and Student Affairs Report: Vice President of Enrollment Management and Student Affairs Ben Corpus presented on strategic enrollment marketing and communications and the focus of recruitment efforts.
- F. Auxiliary Investment Committee Report: Auxiliary Investment Committee Chair Gifford Lehman provided an update on Investment Committee activities.

**VI. Presentations**

- A. CSUMB Letters: Associate Vice President of Communications & Marketing Aaron Bryant presented proposed spirit and pride installations that will be added to the campus panorama. Installation ideas include letters spelling "CSUMB" and an otter statue. These installations will promote traditional photo opportunities and become lore and oral history sources.
- B. New Website Presentation: Associate Vice President of Communications & Marketing Aaron Bryant briefly presented the new University website to the Board.

**VII. Open Communications/Announcements**: Chair Saxon presented the certificates of appreciation to exiting Directors Ted Balestreri, Mac Clemmens, Pete Delgado, Betsey Pearson, and Adrian Villalpando. Chair Saxon presented a gift to exiting Secretary Debbie Juran.

President Quiñones presented Chair Saxon with a certificate of appreciation and a gift and thanked her for her service to the Board.

- G. Chair's Comments: Chair Saxon thanked the Board for the opportunity to serve as Chair and wished the University luck.

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

**IX. Adjournment**: With no further business to conduct and no objection, the meeting was adjourned at 11:03 a.m.

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Vanya Quiñones, Secretary

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Date