



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

Memorandum

TO: Foundation Board of Directors
CC: Barbara Zappas, Foundation CEO

FROM: Nancy S. Ayala
DATE: December 4, 2020

SUBJECT: Agenda and Read-Ahead Materials

Enclosed are the agenda and read-ahead materials for the Foundation Board of Directors meeting on Friday, December 11, 2020. The virtual meeting will begin at 9:00 a.m. via Zoom. The meeting instructions were emailed.

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



Board of Directors Meeting
Friday, December 11, 2020 9:00 a.m. – 11:00 a.m.
Virtual meeting via Zoom

AGENDA

- | | | |
|--------------|---|------------|
| I. | Call to Order | B. Saxon |
| II. | Governance | |
| *2 min. | Appointment of Standing Committee Member (attachment II) | B. Saxon |
| III. | Approval of Minutes | |
| *2 min. | Approval of September 18, 2020 meeting minutes | B. Saxon |
| IV. | Business – None | |
| V. | Reports | |
| 30 min. | A. President’s Report | E. Ochoa |
| | <ul style="list-style-type: none">• Enrollment• Dean transitions• Budget• PPPs Update (attachment 1)• Academic Programs (attachment 2)• Commencement Plans | |
| 20 min. | B. CEO’s Report | B. Zappas |
| 10 min. | C. Auxiliary Audit Committee Report | B. Pearson |
| 10 min. | D. Investment Committee Report | |
| 10 min. | E. Chair’s Comments | B. Saxon |
| VI. | Presentations | |
| 15 min. | Athletics Update | K. Garry |
| VII. | Open Communications/Announcements | |
| VIII. | Closed Session | |
| 15 min. | Discussion
In accordance with Education Code § 89923 | Board |
| IX. | Adjournment | B. Saxon |

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.



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Memorandum

TO: Foundation Board of Directors
CC: Barbara Zappas, Foundation CEO
FROM: Nancy S. Ayala
DATE: December 4, 2020

SUBJECT: 2020/21 Appointment to the Auxiliary Investment Committee, Foundation Board

The proposed appointment recommendation for the Auxiliary Investment Committee is as follows:

Bud Colligan (Foundation Board)

The term is for the remainder of the 20/21 fiscal year, which ends on June 30, 2021.

At the meeting on Friday, December 11, 2020, the Board will be asked to vote on the appointment of this standing committee. Foundation staff recommends approving the appointment as presented.

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



Board of Directors Meeting

Friday, September 18, 2020 9:03 a.m. – 11:10 a.m.
Virtual meeting via Zoom

Draft, Minutes

<u>Board Members Present</u>	<u>Members Absent</u>
Bettye J. Saxon, Ed.D., Director Eduardo M. Ochoa, President Debbie Juran, Secretary Greg Gonzalez, Director Gordon E. Eubanks, Director Anna M. Caballero, Director Bud Colligan, Director Carrie McIntyre Panetta, Director	Barbara Zappas, CEO Ted Balestreri, II, Director Steven Packer, M.D., Director Ralph Thompson III, Director Michael McMillan, Director Betsey Pearson, Director Kevin R. Saunders, Director David Ledesma, Director
<u>Presenter(s)</u>	<u>Staff Present</u>
Earl Lawson, Associate Vice President for Public Safety/Chief of Police Chief of University Police Stephen W. Pearson, Esq., Auxiliary Attorney Brian Corpening, Associate Vice President for Inclusive Excellence and Chief Diversity Officer Betsey Pearson, Auxiliary Audit Committee Member	Starr Lee, Associate Executive Director Nancy S. Ayala, Gov. & Compliance Manager

Regular Meeting

- I. **Call to Order:** A quorum being established, Chair Bettye J. Saxon called the meeting to order at 9:03 a.m. Chair Ochoa welcomed new directors Bud Colligan, Greg Gonzalez, and David Ledesma.
- II. **Approval of Minutes:** Moved by Director Michael McMillan and seconded to approve the June 19, 2020 minutes. With Directors Anna Caballero, and Bud Colligan abstaining, the motion carried.
- III. **Business:** None
- IV. **Presentations:**
University Police Department (UPD) Update: Chief Earl Lawson reported on UPD’s progressive methods and philosophy of policing. Chief Lawson also reported on UPD’s role to support firefighters during the River fire.
- V. **Reports:**
 - A. Board Fiduciary Responsibility: Foundation legal counsel Steve Pearson briefed the Board Members on their fiduciary responsibility as Board Members. Board Members should be familiar with the Foundation’s organizing documents, including the Articles of Incorporation, the Bylaws, and policies adopted by the Board.

Directors have three duties – the duty of care, the duty of loyalty, and the duty of obedience. The duty of care is defined as the business judgment rule, which is the standard of care that an ordinarily prudent person would exercise under similar circumstances. Board Members are encouraged to rely on the expert advice of others. The duty of loyalty requires Board Members to be faithful to the Foundation and not use any information obtained as a Board Member for personal gain. The duty of obedience requires that Board Members be faithful to exercise the organization’s mission. Mr. Pearson also reviewed conflict of interest guidelines.

- B. CEO Update: CEO Barbara Zappas provided an update on the comprehensive campaign. Through August 31, 2020, the campaign had approximately \$99.1M in commitments. The campaign has been extended to December 31, 2020, with a revised goal of \$100M. College initiatives exceeded the \$25M goal by \$6M. Ms. Zappas reported that the Women’s Leadership Luncheon was held virtually this year due to the Covid-19 pandemic. The woman of the year was Bertie Bialek Elliott.
- C. President’s Report: President Eduardo M. Ochoa reported on University activities. In March, the CSU made several decisions regarding COVID-19. The University underwent a one-week conversion to virtual instruction in the middle of the Spring 2020 semester. The campus was also depopulated, which may remain in effect until spring 2021. Another impact was on the State budget. With reduced State revenues, the Governor revised the budget resulting in a \$7.7M cut from CSUMB from the budget. Fortunately, the University has approximately \$13M in reserves. \$2.7M will be used to help cover the deficit. President Ochoa reported on the CSUMB Budget Deficit approach, including layoffs and early retirement exit programs, hiring chill, and travel suspension. It was noted that 3.8% of employees were affected, and 2.2% of positions were eliminated. Enrollment had a 2.7% decrease in enrollment due to COVID-19, with most reductions occurring in freshman and post-baccalaureate students.

Associate Vice President Associate Vice President for Inclusive Excellence and Chief Diversity Officer provided an update on on-campus events in the wake of the George Floyd murder and the Black Lives Matter movement.

President Ochoa introduced the new Provost and Vice President for Academic Affairs, Katherine Kantardjief. Ms. Kantardjief announced that the campus is working to move forward with AB 1460, the CSU mandate for an ethnic studies course in the general education curriculum. Our campus has a strong foundation of courses to address that mandate and is in the process of planning to go through implementation to meet the March deadline.

- D. Auxiliary Audit Report: Auxiliary Audit Committee member Betsey Pearson reported on the Committee’s activities. The Committee met in September to review the Foundation audit report. Auditors issued a clean opinion. There were no audit findings.
- E. Investment Committee Report: A memo was circulated in lieu of a report.

F. Chair's Comments: Chair Saxon announced AT&T donated \$20K to the basic needs initiative at CSUMB.

VI. Open Communications/Announcements: None

VII. Closed Session: The Board did not enter into closed session.

VIII. Adjournment: With no further business to conduct and no objection, the meeting was adjourned at 11:10 a.m.

Debbie Juran, Secretary

Date



December 4, 2020
University Foundation Board
Update Letter

Dear Board members:

Our first full semester of virtual instruction is nearing completion. The faculty were able to provide an improved educational experience to our students relative to the Spring stampede. The early CSU decision to remain virtual in the Fall allowed us to conduct training on virtual pedagogies and technology. Nevertheless, and particularly for traditional-age students, the absence of the total campus experience is being felt. We are hopeful that we will be able to repopulate the campus and resume normal face-to-face instruction by the Fall 2021 semester, based on vaccine developments.

The meeting agenda includes an itemized list of the topics I will cover in my report, to which I call your attention. I am particularly interested in your input on the public-private partnerships we are planning and the new academic programs that we have in the pipeline. I am including background material on both of these items which you may want to review ahead of our meeting. We have purposefully scheduled a lighter agenda to have a greater opportunity for dialogue. We will also have a brief presentation on how our Athletics program is managing the current pandemic environment.

I look forward to seeing all of you on the 11th.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Eduardo M. Ochoa".

Eduardo M. Ochoa

ATTACHMENT 1

PUBLIC/PRIVATE PARTNERSHIPS AT CSUMB

December 4, 2020

Background:

Since CSUMB's founding, we have been tasked with building our physical, curricular, and financial foundation by using the lands conveyed to the university by the federal government, most notably the US Army. Due to this expectation, large portions of CSUMB lands were transferred with zoning for economic development. As an example, the 1200+ housing units in East Campus Housing were intended to immediately augment state funding for CSUMB via rental to qualified third parties (e.g. educational partners).

One of the avenues to derive revenues for the university and to lower the overall cost of development is to engage in development agreements/relationships with private industry. These Public Private Partnerships (PPP) are best defined as cooperative developments between public entities such as universities, municipal governments, public airports, etc. and private interests such as real estate developers, banking/private equity companies, retailers, professional athletic franchises, etc.. In some cases, these developments are cooperative developments from concept inception (UC Merced), in others they are negotiated post development based upon mutual benefit (CSUMB's Promontory housing).

In Academic year 2015-16, CSUMB received preliminary permission from the CSU Chancellor's office to explore the development of an ambitious sports and entertainment complex to be located on the CSUMB campus. This development encompassed everything from a new sports arena to housing, with multiple athletic fields, restaurants, projected retail and "sports/entertainment" franchises such as TopGolf. This specific project ultimately failed due to the inability of the developers to secure financing.

In subsequent years, CSUMB has continued to engage in conversations with a variety of real estate developers and regional housing, healthcare, and athletic interests to explore the feasibility of a similar, albeit less ambitious development project. In concert with development taking place in CSUMB's municipal neighbors, Marina and Seaside, CSUMB is seeking to be responsive to the needs of the university's students, faculty and staff, as well as to augment the housing to the greater Monterey Bay population.

The Project(s):

- Monterey Bay FC/Freeman Stadium - CSUMB is in the final stages of negotiations with a professional soccer franchise of the USL to enable that franchise to renovate Freeman Stadium in exchange for the franchise's use of the stadium for the next 10-15 years. Because of the terms of conveyance of the stadium to CSUMB, the university is not

allowed to derive revenues from the lands or facilities thereon until the expiration of the terms of the conveyance (approx. 2033). By entering into this agreement, CSUMB will be able to have a world-class facility for student-athlete use during the years of the agreement and will receive, upon agreement expiration, the completely renovated stadium. The soccer franchise may also generate many opportunities for CSUMB students (e.g. internships in the domains of sports management, kinesiology, etc.).

- 2nd Avenue Development – Based upon a series on conversations with wellness and medical interests, active-senior housing development interests, and co-working companies; and based upon growing needs for CSUMB faculty and staff housing as well as regional needs for affordable housing, CSUMB is interested in reigniting development interests for an integrated development akin to that development proposed in 2015-16. The focus of this development is unlikely to be “sports-tainment” but is instead to be a blend of wellness, active senior living/learning, faculty & staff housing, co-working spaces, and in a separate but affiliated effort, an expansion of student housing in the campus core. While the project is titled “2nd Avenue Development” and the core development area is intended to be located along the 2nd Avenue corridor, we are open to exploring economic development in other areas of campus such as the 8th Avenue corridor and East Campus. Below is an image from the 2nd Avenue Development website:



Note: In the above image, the proposed 2nd Avenue Development location is designated as Site.

A preliminary website for the 2nd Avenue Development Project can be found at www.second-ave.com (password: CSUMB).

The Process:

Soccer Team/Freeman Stadium project – Because the stadium is an existing structure and we are simply entering into a no-cost lease of the existing facility in exchange for renovation, we will not be entering into any form of RFQ/RFP process. Instead, the USL team will engage with their own contractors and renovate the facilities to both USL and CSU standards, subject to state and federal standards for public buildings and other mandated restrictions.

2nd Avenue Development - In the next 30-45 days, CSUMB will issue a Request for Qualifications (RFQ) designed to explore the various development options available to the campus and the potential partners for said development. Because there are several opportunities available to the campus, we want to fully explore our options before narrowing the field of potential development partners and projects. Our expectation for the close of the RFQ period is likely to be some time in Q1 2020.

Subsequent to receiving proposals under the RFQ process, we will issue one or more Request for Proposals (RFP) which will more clearly delineate the projects we have selected and will invite selected partners to submit bids for the projects. Our expectation for close of the RFP process is likely to be some time in Q2 2020.

Summary:

What is clear to CSUMB executive staff is that the above proposals have obvious symmetry. This having been said, we believe that the 2nd Avenue Development as a standalone effort is responsive to regional and University needs, irrespective of the USL franchise opportunity. In concert, the two projects have the potential of transforming the CSUMB campus and providing a substantial financial catalyst for the University and the Monterey Bay region.

Attachment 2

CSUMB Academic Programming

December 4, 2020

Programs in various stages of development and implementation

College	Program Name	Program Type	Description
<i>Business</i>	Accounting Analytics	Master of Science	Prepares students for professional opportunities in public accounting by enabling them to meet the 150-hour educational requirements for licensure as a CPA in California and most other states. Prepares students for accounting positions that require knowledge and skills required by the increasing use of big data and data analytics
	Business	Bachelor of Science	Addition to Online
	Management Essentials	Graduate Certificate	The Graduate Certificate in Management Essentials is an online program for working professionals to build their business skills and career opportunities. Designed for professionals with a non-business bachelor's degree.
<i>Science</i>	Genomics and Bioinformatics	Concentration in BIO and CHEM	Emphasizes the integration of data science and interdisciplinary coursework in statistics and computer science with complementary core biology curriculum.
	Mechatronics	Bachelor of Science	Prepares students to meet the growing need for a local workforce with technical skills necessary to solve real-world problems, especially in the agricultural technology sectors. Students receive hands-on technical training in circuitry, mechanical systems and computer programming.
<i>Education</i>	Preliminary Administrative Services Credential	Program Elevation (Master of Arts in Education)	The Education Administrative Services Credential program prepares educators to become leaders in public school settings.
	STEAM	Emphasis (Master of Arts in Education)	Masters of Arts in Education with an emphasis in Science Technology Engineering Art Math (STEAM)
<i>Arts, Humanities and Social Sciences</i>	Ethnic Studies	Bachelor of Arts	Ethnic and Gender Studies is an inter/multidisciplinary field that studies race, ethnicity, and gender in conjunction with other axes of social identity to better understand the experiences and perspectives of people of color, women, and others who have historically been marginalized.
<i>Health Science and Human Services</i>	Public Health	Master of Science	Provides a mastery-based academic program through which students learn theoretical concepts and master the skills needed for careers in public health practice.

Programs with potential for distinction

Music and Performing Arts

Rooted in the liberal arts tradition of critical interdisciplinary thought and practice, the Bachelor of Arts in Music is a hands-on program that prepares students for careers in performance, composition for acoustic and electronic/interactive media, sound engineering, audio programming, and music education, across commercial, independent, and community sectors. The degree emphasizes well-rounded musicianship through a balance of experience in performance, composition, musicology, ethnomusicology, music theory, acoustics, and music technology – each characterized by its own ways of thinking and doing - complemented by rigorous, fundamental training in critical listening, sight singing, keyboard skills, and the fluent reading, writing, and digital engraving of Common Western Music Notation. Beyond these fundamentals, students craft a personal, inquiry-driven degree emphasis in response to a chosen research and creative agenda, leading to an ambitious scholarly-creative capstone thesis project in a chosen area of expertise. Professor Jeffrey Jones (Chair) has recently joined the Monterey Jazz Festival's (MJF) Education Committee and is in talks with them about how to build a strong and sustainable partnership between MJF and CSUMB that will be of mutual benefit.

Cinematic Arts and Technology

The Cinematic Arts and Technology program was established in 1994, under the name Teledramatic Arts and Technology. Cinematic Arts and Technology is a hands-on program that prepares students for careers in film, broadcast, and interactive media across commercial, independent and community sectors. Cinematic Arts students create narrative, documentary, interactive, and experimental media in a variety of collaborative, independent, and cross-disciplinary projects. Courses develop skills and experience in all facets of media making, including: directing, writing, producing, editing, sound design, visual design, animation, motion graphics, interaction design, and mobile media. At its inception, the program was conceived to support a variety of disciplines including Film, Television, Broadcast, Theater, Performance, Radio, and New Media. Over the last two decades, the program has honed its focus to the Cinematic Arts, offering courses in all aspects of the discipline of filmmaking - including cinematography, editing, sound, directing, documentary, experimental, and animation - as well as cinema studies. In response to these shifts, the program renamed itself Cinematic Arts in 2012. Because Film and Media remain at the forefront of contemporary culture and are central to California's economy, Cinematic Arts and Technology is the largest Arts major on the CSU Monterey Bay campus. The department has also created partnerships with the Monterey Jazz Festival, the Migrant Youth Stories Project, the Hijos del Sol Arts Productions, the Ohlone Costanoan Esselen Nation, Baktun 12, ALMA Huntington-USC Center for American West, the US Army, the PG Natural History museum, and the Watsonville Film Festival.