

CAL STATE EAST BAY EDUCATIONAL FOUNDATION

Board of Trustees Meeting Minutes

Friday, September 25, 2015

St. Francis Yacht Club

99 Yacht Road

San Francisco, Ca 94123

And via Conference Call

Trustees Present: Jack Acosta, Lee Blicht, Richard Carson, Debbie Chaw, Patrick Devine, Bette Felton, Tessie Guillermo, Tanya Hauck, Dr. Derek Kimball (Faculty Trustee), James Klescewski, David Lopez (Student Trustee), Louis Miramontes, Leroy Morishita, Carolyn Nelson, Marvin Remmich, Micky Randhawa, James Songey, Gary Wallace.

Trustees Absent: Carolyn Aver, Jennifer Case, Evelyn Dilsaver, Alan Gould, James Hannan, Howard Hyman, Narinder Kapany, Kumar Malavalli, Janet Owen, Richard Sherratt, Allen Warren.

Staff Present: May Hernandez

Guests Present: Kathleen Brady, Howard High, Brandi Gross, James Langley, Richard Watters, Julie Wong, Dianne Rush-Woods.

I. Welcome Remarks/ Approval of Meeting Minutes

Chair Acosta started the Cal State East Bay Educational Foundation Board meeting at 1:01pm. He welcomed everyone who was present and introduced new members of the board, including Carolyn Nelson, Lee Blicht, ASI President David Lopez and guests James Langley and Howard High.

May 28, 2015 Board Meeting: The board reviewed the May 28, 2015 board meeting minutes. On motion duly made, seconded and unanimously carried, the following Minute Action was taken:

MINUTE ACTION: The board approves the minutes from May 28, 2015.

Motion by: Patrick Devine

Seconded by: Richard Carson

Motion: Passed

II. Cal State East Bay President's Report

Dr. Leroy M. Morishita began by mentioning that CSUEB has just begun the new quarter with a record 1700 freshman, 2300 transfer students (which was a record.) The University is receiving more funding from the legislature and we are graduating more students.

President Morishita then discussed the WASC accreditation and that we received a good final report and we would receive accreditation for another 10 years. The committee did not have any findings, although we will be required to provide periodical progress reports, which is normal course for accreditation.

Dr. Morishita also discussed his three year review from the Chancellor's office, which went exceptionally well.

Dr. Morishita discussed that CSU East Bay was named by the Chronicle of Higher Education as the most diverse public university in the contiguous United States. CSUEB is receiving a Diversity award due to the University's population makeup: 61% of the student population are first generation students, over 25% are Hispanic. Because of our diversity, we have received two grants based on the fact that we are both Hispanic and Asian serving institutions, although we can only accept one of the grants, which we chose the Hispanic Serving Institute grant.

He further discussed the areas that need work in the coming year including retention and graduation rates: in the 2007-2008 year, we admitted students that didn't meet minimum requirements (called "special admits") which caused our graduation rate to be 38%. The goal for 2020 is to have a 60% graduation rate. This will be accomplished by reducing special admits. Previously, hundreds of special admits were given to hit enrollment targets; however, our enrollment is up and we no longer have to take as many special admits, which will improve overall student success.

Dr. Morishita mentioned that we will be hiring new faculty, and there are 30 searched this year. The goal is to have 350 faculty members by Fall 2015.

The 2018 Semester Conversion is in progress, and CSUEB is the fourth University in the CSU system to go. It is a very labor intensive process in which 80% of the programs will be transformed, which gives the faculty an opportunity to re-create their programs.

III. Executive Committee Report:

Chair Acosta brought minute action to the Board regarding the Endowment Policy and the Investment Policy.

MINUTE ACTION: The board approves the Endowment Policy.

Motion by: Patrick Devine Seconded by: Debbie Chaw Motion: Passed

MINUTE ACTION: The board approves the Investment Policy.

Motion by: Patrick Devine Seconded by: Debbie Chaw Motion: Passed

Chair Acosta went on to discuss the formation of the Communications and Community Outreach Committee, which was in the original by-laws but never was actually formed. The committee will help reach out to constituents and expand outreach. James Langley will help us understand board behavior, recruitment and activity. The task of the committee is still to be determined, but one purpose is to help the University get recognized. Acosta will follow up with the proposed appointments to ensure that they would like to participate in this committee.

IV. Nominating Committee Report:

Jack Acosta gave the Nominating Committee report in Chair Richard Sherratt's absence. He asked the Board to review the committee list, and that he will be calling any new members to a committee. He further mentioned that the Nominating Committee would be reviewing overall

participation in the coming meetings. He asked the board members to consider what committees they might like to be on.

Dr. Morishita mentioned that Carolyn Aver will be taking a leave of absence from the board. Debbie Chaw requested that minute action to approve the leave be taken:

MINUTE ACTION: The board approves Carolyn Aver's leave of absence from the Board.

Motion by: Leroy Morishita

Seconded by: Debbie Chaw

Motion: Passed

V. Finance & Investment Committee Report:

Debbie Chaw, Interim Vice President for Administration and Finance, discussed the Finance & Investment Committee reports in Chair Evelyn Dilsaver's absence. The committee met on July 23, 2015 and reviewed the Operating Budget. There was a loss of \$23K, not the \$29K forecasted, so we did better than expected. As of June 30, 2015 we had growth with a 1.35% return. Returns as of August 31, 2015 will be less due to economic slow-down as well as unstable equity markets. Fiscal year to date is a -4.21% return.

The committee also approved the Investment Policy and the Endowment policy in that meeting.

VI. Campaign Steering Committee

Co-Chair Patrick Devine gave the Campaign Steering Committee report. He discussed relationship mapping and that maybe that task can move to the newly formed Communications & Community Outreach Committee. He discussed how Tanya Hauck, Vice President of University Advancement and Kathleen Brady, Associate Vice President of Development, met with individual trustees and mapped out their other board affiliations, as well as other professional affiliations. Devine said that there are people we know and we need to be open to this so the board can uncover all the connections they have to help lift up the Campaign. Co-Chair Devine said that soon they would be reaching out to schedule more of these meetings.

Co-Chair Devine discussed the Campaign to date which is at \$29.9M and we are 7 years into the \$60M campaign while still in the quiet phase. We have 50% at 7 years, which is not as robust as it could be. Co-Chair Miramontes mentioned that we should however be proud to have reached \$29M, since that is the biggest amount for the University so far, and the potential is there.

Co-Chair Devine introduced James Langley, University Advancement's consultant. Langley discussed that CSUEB can exceed the \$60M in the time frame, but we need to look at the methodology. There is less interest in capital project funding, and there is more interest in investment in people and projects. We have to align our goals with realities. Brick and mortar should not exceed 15% of the total campaign fundraising studies have shown. The lead gift should be 1/3 of the total to be raised, and the last 10-15% is the hardest to close. CSUEB has lots of organizational work to do. He pointed out that we need to spotlight others in the campaign to raise programmatic funds. Langley will send reports about CSUEB's strengths, weaknesses, and external realities. CSUEB needs to reconcile what the market can provide vs. what our needs are.

VII. Audit Oversight Committee Report

Chair Songey discussed that the committee met on September 11, 2015 for statements ended June 30, 2015. The committee met with the external auditors and recommended the board take minute action to approve the audited financial statements:

MINUTE ACTION: The board approves the Audited Financial Statements year ended June 30, 2015:

Motion by: Marvin Remmich

Seconded by: Patrick Devine

Motion: Passed

VIII. University Advancement Report Update

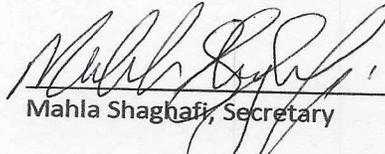
VP Hauck gave a presentation that touched on all the points that University Advancement is working on to promote the campaign and focus on outreach. During her presentation, she discussed building communities of shared purpose and all the projects that the division is working on, including the shuttle bus wraps. There was a discussion of all board members of the new bus wraps and the excitement around them. Associate Vice President of Communications, Jeff Bliss, discussed the bus wraps and showed the board the next phase of these projects and communicated their timelines.

Jeff Bliss also further discussed the Universities' partnership with Mackenzie Communications-a marketing group located in San Francisco. They will be helping us get a handle on our brand, and further translate that to our upcoming web re-design. Jeff Bliss also mentioned Campaign communications and architectural enhancements that will promote the Campaign and all work together with the branding effort that we are working on with Mackenzie Communications.

IX. Other Business

There being no further business to discuss, Chair Acosta adjourned the meeting at 2:12pm.

Dated: September 25, 2015



Mahla Shaghafi, Secretary

Recorded by May Hernandez, Executive Assistant to the Vice President of University Advancement

Action Items Noted: