

**CAL POLY POMONA PHILANTHROPIC FOUNDATION
BOARD MEETING MINUTES
September 18, 2019**

Attendees: Walt Allen, Wen Chang, Dr. Soraya Coley, Winny Dong, Michele Gendreau, Ron Gregoire, Diane Miller (Acting Chair), Dan Montplaisir, Doug Nelson, Pat Patel, John Resich, Joan Robinson-Berry, Pasindu Senaratne, David Singelyn, Kent Valley, Sean Yu

Absent (Excused): Kristin Crellin, Earl Gales, Larry Gates, , Susan Kellogg-Bell, Miguel Santana
Juliana Terian

Guest: Dr. Bernardo Jerrold Dargan (representing Dr. Eileen Sullivan), Dr. Sep Eskandari (representing Dr. Sylvia Alva), Gina Johnson

Recording Secretaries: Natalie Graff, Diana Saldana

Agenda Item I: Call to Order:

Diane Miller as ACTING CHAIR, convened the meeting at 9:38 a.m.

- *Call the meeting to order, welcomed the members and attendees and thanked everyone for joining.*
- *Noted the schedule of upcoming meetings. November is an extended board meeting that includes orientation for new members and a meeting of the Executive Committee.*

Agenda Item II – Nominating – election of new board member – Item A

Diane Miller asked for review of the election of new board member – Action Item

- Introduced agenda item by title.
- Presented information and open discussion of nominee. Short bio comments were shared:
 - John Resich is a 1969 CPP alumnus from the College of Business and has a Juris Doctorate from Santa Clara University. John's wife, Shirley is a 1968 CPP alumna from the College of Letters, Arts, and Social Sciences and she received the Distinguished Alumni Award. He is an active member of the Huntley College of Agriculture Dean's Advisory Council. Professionally, he is chair of the board of Green Hills Memorial Park in Rancho Palos Verdes. John and Shirley have three children and several grandchildren.
- Asked for motion and second.

MOTION: Michele Gendreau
SECOND: Walt Allen
All in favor; none opposed.
- John Resich was invited to join the meeting and was introduced to the board. Board members each introduced themselves.

Agenda Item III – Consent Agenda – Item B

Diane Miller asked for review and approval of 5/15/2019 Meeting Minutes – Action Item

Asked for motion and second.

MOTION: Michele Gendreau
SECOND: Doug Nelson
All in favor; none opposed.

- It was noted that one faculty board representative has resigned as has accepted a faculty position overseas. The CEO is asking the Academic Senate to submit a new faculty representative.

Agenda Item IV – President’s Report – Item C

Dr. Soraya Coley: University Update

- Provided an overview via PowerPoint presentation of various events that have occurred since the start of the Fall Semester including first day of classes and Fall Conference.
- Lt. Governor Eleni Kounalakis visited campus on August 23. She serves on the CSU Board of Trustees and is visiting all 23 CSU campuses. This was her second visit to CPP this year; she was the featured speaker at the CLASS commencement ceremony.
- In the U.S. News, we were ranked #2 among all public regional universities in west, up #4 from last year. In addition, we were ranked #14 among all regional universities (public and private) in the west.
- President Coley shared that she has been appointed to serve on Governor Newsom’s Future of Work Commission; a 21-member commission that will make recommendations to the Governor and other policymakers about harnessing technology, innovation, and lifelong learning to promote future jobs needs across the state.
- Reviewed the newly published version of the Strategic Plan which is a more extensive version of the original plan. The University has already moved very deliberately on a number of student success goals. Emphasized that the Philanthropic Board is specifically part of the Strategic Plan and plays a key role in our continued progress.
- A video was shared from Fall Conference in which Dr. Coley drives a Formula One style race car.

Agenda Item V – CEO Update – Item D

Dan Montplaisir discussed four items and asked for a vote on two.

1. Gift-by-Transfer - Summary of gifts transferred successfully from the business auxiliary.
2. State and Chancellor’s Office Final Approvals – Received final approval from the Attorney General. Submitted all finalized paperwork to the CSU Chancellor’s Office.
3. Resolution for Certificate of Consent to Self-Insure – **Action Item**

Dan Montplaisir asked Board Chair to entertain a motion and second. Called for vote.

***MOTION:** David Singelyn*

***SECOND:** Michele Gendreau*

All in favor; none opposed. Board member, Singelyn asked that it be noted that we are not 100% self-insured; this is part of the Auxiliary Organizations Association (AOA).

4. Resolution to Cover Volunteers – **Action Item**

Dan Montplaisir asked Board Chair to entertain a motion and second.

***MOTION:** Walt Allen*

***SECOND:** Pat Patel*

All in favor; none opposed.

Agenda Item VI – Committee Reports

Committee updates:

Ron Gregoire reported on the Audit Committee. - **Item E**

- Still exploring other legal firms to represent the Foundation and expect to have an action item for legal counsel at the next meeting.
- Discussed and reviewed the schedule of ongoing filings – these represent our significant ongoing reporting requirements.
- Enclosed is our IRS Form 990-N, which shows that our entity held no assets as of 6/30/2019.

Michele Gendreau reported on the Development Committee. – **Item F**

Asked for review of the following Action Items:

1. Statement on Admissions Influence – **Action Item**

University has done a full review of its policies. A statement on behalf of the Board has been created.

Michele Gendreau asked Board Chair to entertain a motion and second.

***MOTION:** Winny Dong*

***SECOND:** Pat Patel*

All in favor; none opposed.

2. Gift Acceptance Policy Changes – **Action Item**

Gifts will not be accepted from the following: groups that discriminate based on sexual orientation, terrorist organizations, or organizations associated with the cultivation or sale of marijuana. Gifts from foreign sources can be accepted but must be reviewed by the gift acceptance committee to ensure compliance. Campus event auctions and raffles must be approved by University Advancement prior to the event. For charitable remainder trusts, the annual payout rate will be a minimum of 5% per IRS regulations.

Michele Gendreau asked Board Chair to entertain a motion and second.

***MOTION:** Dan Montplaisir*

***SECOND:** Wen Chang*

All in favor; none opposed.

Michele continued update with following items:

- Total Philanthropic Return – Committee members recommended that a report be given on a quarterly basis of all donations by each college/area.
- College Fund Raising Priorities – Committee members were asked to take time to go over the college fundraising priorities to understand what the college-based priorities are and consider who would have interests in funding those areas. Board member mentioned that there is tremendous opportunity with the Lanterman Center. It was confirmed that the University is in the process of completing its first agreement with Five Point.
- Comparison to CPP to other CSU campuses – Review and discussion, noting that our annual base has been \$8-12 million annually. Larger gifts are typically complex and take longer to complete. New planned giving staff member recently added to the team with expertise in marketing.

Currently have two interim dean and several development officers that have been with us for approximately 18 months. It was noted that Cal Poly San Luis Obispo received one large gift of \$100 million that greatly increased their total gift commitments.

Sean Yu reported on the Finance and Investment Committee. – **Item G**

- Two investment portfolios – Update was given regarding the discussion of the two investment portfolios for the Foundation. The Endowment Investment Pool has a targeted return of 4% plus CPI. The General Investment Pool has a target return rate of 2% plus the Higher Education Price Index. The committee received an update from our investment adviser, Andy Price, Graystone, and discussed if these were appropriate targets in this investment environment. The consensus was that those numbers are achievable.
- Current Endowment Investment Policy - In addition to having ranges for each asset class, there is a specific target weighting. While targets may be helpful, it makes it more difficult for Graystone to allocate funds as appropriate. The general agreement of the committee is to re-write the policy to maintain ranges but to eliminate the specific targets. Graystone recommends that the portfolio should have a higher percentage in equities and they will come back to the committee with recommendations.
- Current portfolio managers – Question was raised about current portfolio managers. Our adviser said that all managers are reviewed on a regular basis and can be put on a watch list if there is a concern. At this point, he doesn't believe any of the managers should be replaced but will provide additional reports on individual portfolio managers.
- Hedge funds - the Committee agrees that more exposure to this asset class could be beneficial to the portfolio. The adviser will come back with additional investment options in this area.
- Status report on creating an RFP for investment management services – A sample RFP has been marked up, but we are waiting to get the language required by the CSU in any proposal. We are also working on identifying potential firms. Will continue to work towards having a draft RFP for November meeting.

Doug Nelson presented the Statement of Net Position, Statement of Revenues and Expenses, and the Approved Budget for the Philanthropic Foundation activities.

- The statements cover only the month of July, so the activity reflected is mainly the transfer of assets from the Cal Poly Pomona Foundation. The statements that will be presented at the November meeting will include the remaining assets to be transferred and more activity. Transfers will include pledges, remaining scholarship and program funds, real estate and art work. After January 1, 2020, Charitable Remainder Trust and Charitable Gift Annuity assets will be transferred. As of July 31, the total assets of the Philanthropic Foundation were \$ 127 million.

Diane Miller reported on the Nominating Committee. – **Item H**

- Goal of bringing 6-9 new board members by end of the fiscal year. We are specifically seeking four additional members for Finance & Investment Committee. There is quite a bit of activity behind the scenes. It takes time to cultivate relationships and identifying alumni that have been giving at a certain level and are engaged. Asked board members to think about prospective board members that they can recommend from their networks. Encouraged board members to

review the Strategic Plan as a tool to identify areas that representation is needed from (ex. Science, Education, Athletics, legal) and send recommendations to Gina Johnson.

Agenda Item VII – Information Items – Item I

Dan Montplaisir presented an update:

- The 2019-20 event schedule is provided in the meeting materials. Board members were encouraged to attend any of the upcoming events or ask for more information.
- A series of social media posts highlighting board members has been unveiled. Asked that board members consider adding the CPP-PF board to list their role on their LinkedIn page and professional bios as appropriate.

Agenda Item VIII – Open Forum/Public Comment

Diane Miller announced that meeting will now move to the *Open Forum/Public Comment* section. Asked if there were any speakers or items to discuss. None were brought up.

Agenda Item IX – Campus Highlight: Renaissance Scholars Program

Diane Miller invited Gina Johnson, Executive Director of Central Development to introduce guest speaker, Leticia Guzman-Scott, Executive Director of Student Support and Equity Programs.

Leticia Guzman-Scott introduced the members of the Renaissance Scholars team and gave an overview of the program including its history, framework, support services, programs, events and outreach & community building. The success story of Mich Hamlin, Renaissance Scholar, an alumnus now in a master’s degree program at USC was shared via a video highlighting his journey and how the program has benefited him. Various donors and foundations were highlighted that provide the financial support.

Agenda Item - Adjournment

Diane Miller

Asked for motion to adjourn.

- **MOTION:** Michelle Gendreau
- **SECOND:** Wen Chang
- **All in favor; none opposed**
- **Meeting adjourned at 11:57 AM**



Diane Miller
Acting Board Chair

Date: 11/13/19



Winny Dong
Board Secretary

Date: 11/13/19