



CalPolyPomona

Philanthropic  
Foundation

Board Member Meeting  
Wednesday, November 13, 2019  
9:30-11:30 a.m.  
Kellogg West Conference Center

## MEETING MINUTES

**Members Absent:** Joan Robinson-Berry, Kristin Crellin, Earl Gales, Ganpat Patel, John Resich, David Singelyn, Juliana Terian

**Members Present:** Walt Allen, Wen Chang, Soraya Coley, Winny Dong, Sep Eskandari, Larry Gates, Michele Gendreau, Ron Gregoire, Susan Kellogg-Bell, Danielle Manning, Diane Miller, Dan Montplaisir, Majed Muhtaseb, Doug Nelson, Miguel Santana, Pasindu Senaratne, Kent Valley, Sean Yu

**Guest:** Gina Johnson

**Staff Recorders:** Natalie Graff, Diana Saldana

**Meeting Called to Order at:** 9:32 a.m.

**Meeting Adjourned at:** 11:30 a.m.

### I. Call to Order

Larry Gates

### II. Consent Agenda

Larry Gates

1. Approval of September 18, 2019 meeting minutes

Action Item

**Motion:** Ron Gregoire

**Second:** Miguel Santana

All in favor; none opposed.

### III. Chair's Report

Larry Gates

The Chair's Report included highlights from the Executive Committee meeting which was held on November 12. There was an open and candid discussion in relation to the board: 1) What experience do we need in certain roles 2) What are the short- and long-term goals for the administration of the board?, 3) Want to make sure that our ideas are heard by administration, 4) Want updates on campus activities and to hear from the students 5) Want to see follow-through by staff on initiatives brought up by the board, 6) How can the board help raise more money? Students need to know from day one that they are getting a great value and when they graduate, they should give back as much as they can. President Coley mentioned that some of the deans are either interim or new, which can cause a challenge and reinforces the need to also raise funds at the university level. A future capital campaign was briefly discussed, and the formation of this board is a step in that direction; we still have considerable way to go before we launch a campaign, but it is on the horizon.

#### IV. President's Report

President Coley

##### 1. Future of Work and Human & Civic Engagement

Dr. Coley shared that she is serving on Governor Newsom's Future of Work Commission and they have met twice so far in Sacramento and at Stanford. The next meeting will be in Riverside and will continue to meet throughout the coming year across the state. This commission works together with our own initiatives such as the Future of Work and Human & Civic Engagement. We would like our students to have a meaningful career and a sense of fulfillment, and to have better future work and economic options as they graduate. Graduation is not a destination; it is a launching pad. We need to ensure that we have the programs and initiatives necessary to make this happen. We are currently looking for opportunities and working with the College of Extended University and Alumni Relations to work on continued professional development.

The University's accreditation visit occurred two weeks ago, and the review committee spent three days on campus meeting with administration, faculty, staff, and students to provide input on ways the campus can improve. There was recognition that the semester conversion was successful and connected to the Strategic Plan, and that there is a collected vision of who we want to be as an institution.

##### 2. Federal Grant Highlights

We have received four major federal grants totaling \$8M to support student success including the 1) Early Start/Bronco Scholars program; \$3 million over five years, 2) help for graduate students; \$2.68 million over five years, 3) the Children's Center; \$1.3 million over four years, and 4) "No More Silos"; \$1 million over four years. The Children's Center will now be able to offer extended hours for students attending evening classes.

##### 3. CSU Updates

Proposition 13 is a general obligation bond measure scheduled for March 3, 2020. If approved, it would provide \$15 billion in general obligation funds to modernize public education facilities with \$2 billion going to the CSU, which would be the first obligation bond in more than 10 years. At CPP we have 115 buildings; 68% are 38 plus years old, and 30% are 60 years old with 17% in poor condition that need replacement.

The CSU Chancellor, Timothy White will retire in June 2020. A CSU Chancellor Search Open Forum will be held on our campus on Friday, November 22, 2019 in the Student Services Building. Dr. Coley has been selected to serve on the search committee.

#### V. Advancement Update

Dan Montplaisir

##### 1. Gift Highlights

A number of real CPP gift examples and donors were highlighted via PowerPoint.

##### 2. Planned Giving Opportunities

Referred to materials provided. We have experts in-house and consultants who can assist with this work.

There are typically three gift categories: 1) gifts that anyone can make such as will or trust, stock and appreciated assets, life insurance, personal property or a retirement plan, 2) gifts that provide income such as charitable gift annuities, and 3) gifts that protect assets such as trusts and retained life estate which can be a principal residence or vacation home which can be continued to be used for the remainder of one's lifetime.

##### 3. University Updates

Board members were invited to the Rose Float Deco Day, parade and breakfast.

The Arabian Horse Center holds shows on the first Sundays of the months (information included in the binder).

We are adding three new frontline fundraisers; a second development officer in the College of Business, a development officer for College of Education & Integrative Studies (CEIS), and a development officer for strategic initiatives.

There are two dean searches underway: College of Agriculture and the College of Environmental Design.

We are also reimagining our university communications and have hired a consultant to help reorganize the Strategic Communications department.

## VI. Committee Reports

### 1. Finance & Investment

Sean Yu

i. Approval of Endowment Distribution – In accordance with the Endowment Distribution Policy, 4% of the 12-month average market value for each endowment account will be distributed to fund holders in January 2020. The amount is the distribution for the 2020/21 academic year. The amount of the distribution is \$1,941,051.

ii. Review of Financial Statements - Financial statements for the quarter ended 9/30/2019 were presented. Some program account balances, and other fixed assets remain to be transferred. Over the next several months, remaining program account balances, artwork, remainder trusts and properties will be transferred from the Cal Poly Pomona Foundation.

iii. Investment Performance - The endowment portfolio return from October 2019 was 2.13% compared to the custom benchmark of 1.88%. Equities returned 3.25% compared to the index return of 2.74%. Fixed income return was 0.21% compared to the index return of 0.30%. The general investment portfolio returned 1.15% for the month of October, compared to the benchmark of 1.05%. For the quarter ended 9/30/2019 the endowment return was -0.38% compared to the benchmark of 0.48%. Equities performance was -1.22% compared to the benchmark return of -0.03%. Fixed income return was 0.01% compared to the index return of 2.27%. The general investment portfolio returned -0.51% for the quarter, compared to the benchmark of 1.00%.

Portfolio and Asset Allocation – The committee and Graystone Consulting discussed the current asset allocation and the probability of the current portfolio returning CPI + 4% on a consistent basis. The consensus was that it is not sustainable over a long period of time. Graystone presented several asset allocation models with a better probability of achieving the target returns. They will make recommendations on changes to the asset allocation at the next meeting. There was also considerable discussion about the value versus the risk in buying international equities. Further analysis is needed.

Graystone reviewed the performance of the various managers. At this point they are satisfied with all of them. Information was presented on other endowment funds and asset allocations for similar sized endowments. Most endowments have a larger percentage of their portfolios invested in equities and hedge funds, a lower percentage in fixed income. The committee will continue to review investment options that provide the potential for higher returns, with little or limited increased volatility.

A chart was presented comparing the various types of investment managers – internal investment management, investment consultant, and outsourced chief investment officer. A determination of how the Cal Poly Pomona Philanthropic Foundation is best managed will be determined through the Request for Proposal that will be issued in January 2020.

Request for Proposal Discussion – The committee agreed that an RFP for investment management services is appropriate. Doug Nelson has created an RFP draft. He asked the committee member to submit any changes or suggestions. The RFP will be sent to prospective managers in January 2020.

### 2. Audit

Ron Gregoire

#### i. Legal Counsel

*Action Item*

We have reviewed and selected a legal firm to recommend to the board: Erickson Law Firm.

**Motion:** Winny Dong

**Second:** Miguel Santana

**All in favor; none opposed.**

#### ii. Attorney General Filing of Accepted Transfer by Gift

We have enclosed a copy of the letter sent to the Attorney General notifying them we've accepted the transfer-by-gift assets from the Cal Poly Pomona Foundation Inc.

### 3. Development

i. Matching Gift Opportunities - Last April 22 was CPP Giving Day. Dates for next year will be April 22-23. Together we raised \$300,000 with 1,000 donors. We increased participation from 700 to 1000 donors, reaching across many segments - students, parents, alumni. Some people made a second gift in addition to the giving they do annually. One goal is to the lineup "matches" in advance for the major programs. College Directors of Development are working with donors to identify those who could offer matching gifts during the Giving Day program

ii. Corporate Relations - A PowerPoint presentation was provided by David Porges. David provided his background in the private sector and his role at CPP leading corporate relations. Topics covered included CPP's long history of developing corporate partnerships, explanation of corporate relations as part of the Central Development team and its three main goals that are both university-wide and college specific: 1) foster student success via effective corporate engagement, 2) grow our reputation as a leaders and strategic partner, and 3) develop 25 partnerships in FY20 and engage top executives for board membership. Other topics included our current state regarding opportunities and ways to expand and diversify and share best practices on campus with each of the academic colleges. The ideal corporate partnership would be a friend, supporter, partner, and advocate, and help us figure out who within each company is best suited to move that partnership forward. It was noted that Boeing is a study in success regarding the Foundation Board and project program support, and there is room to grow with companies such as Raytheon, Microsoft and others. Discussion around how to prepare students for internships including how to interview, build a resume, compose correspondence, etc. Mentioned that diversity is important for companies at all levels: corporate, federal, state and local. ASI president explained that students value these corporate partners and are seeking to find ways to make these connections while still a student.

### 4. Nominating

Discussed potential board nominees and their connection with CPP. It is important for the board to continue identifying prospective individuals to meet our expectation of eight new members by June 30, 2020. Reviewed profiles of names submitted and discussed needing a tracking mechanism to categorize individuals into different areas.

Need to develop a communication tool so we can provide the mission, university strategic plan connections, and answer why the philanthropic foundation is important and why that person would be a good member for the board. New member orientation has an outline in place and discussed the value of this type of orientation. Discussed the possibility of doing a new member orientation in conjunction with the board board meeting in February.

Two requests were presented to the board: 1) harvest potential members by looking at social and professional networks in order to have more candidates to review, 2) update LinkedIn profiles to show that they are members of the board.

### VII. Open Forum/Public Comment

No items or public comment were brought forward.

### VIII. Campus Highlight

Guest Terri Gomez, Associate Vice President for Student Success, gave a PowerPoint presentation on "Fostering Math Grit for Student Success". CPP progress was shown on the Graduate Initiative 2025 goals and metrics over a three-year time span including freshman 4- and 6-year, transfer 2-year, transfer 4-year, gap underrepresented minority, and gap for Pell eligible students. The CSU Graduation Initiative 2025 includes academic preparation, enrollment management, student engagement and well-being, financial support, data-informed

decision making and administrative barriers. CSU remedial math has equaled failure for many students. One in four students assigned to remedial math fail out in the first year and only 10% of students in remedial math earned a degree in four years. Based on these statistics, the Early Start-Bronco Scholars was created. This five-week summer program provides support to approximately 100 students and covers two math-stretch courses. Other aspects of the program include living/learning in the community, student success coaches, wrap-around series, and peer mentors and tutors. Courses are typically taught by adjunct professors, but we are working on getting full-time faculty to teach these courses instead. Students are also offered housing. Pilot outcome was an 82% pass rate in math, 100% in general education courses and the program provided academic momentum and a sense of belonging and connectedness.

The Department of Education Grant – Title V Hispanic Serving Institution (HSI), provides a 5-year, \$3 million grant and includes three pillars: access, transitions – Bronco Scholars, and faculty engagement and support.

IX. Adjournment

Larry Gates

Motion: Michele Gendreau  
Second: Diane Miller  
All in favor; none opposed.

*Approval of Board Meeting Minutes*

*As Chair of the Philanthropic Board,*

*the minutes for November 13, 2019 meeting as presented, have been approved.*

Approved by:

  
\_\_\_\_\_  
Larry Gates  
Board Chair

*2/5/2020*  
\_\_\_\_\_  
Date

*As Secretary of the Philanthropic Board,*

*the minutes for November 13, 2019 meeting as presented, have been approved.*

Approved by:

  
\_\_\_\_\_  
Winny Dong  
Board Secretary

*2/5/2020*  
\_\_\_\_\_  
Date