



SONOMA STATE UNIVERSITY  
FOUNDATION

**BOARD OF DIRECTOR MINUTES – March 15, 2019**

**I. Call to Order**

*(see 3.15.19 meeting packet)*

Meeting was called to order at 12:39pm.

McDougall welcomed new Board Directors and guests to the meeting. It is the first meeting for new Board members John Kornfeld and Terry Atkinson. McDougall also welcomed the following guests in attendance: Jerlena Griffin-Desta, new Chief of Staff and Associate Vice President for Strategic Initiatives & Diversity; Kirsten Tellez, Director of Development for Science & Technology, Social Sciences, Osher Lifelong Learning Institute (OLLI), and Center for Environmental Inquiry (CEI); and Carin Jacobs, Director of Lifelong Learning Programs.

McDougall presented to Board members the Sonoma State University Foundation Board face sheet displaying headshots of all Board members along with their names and titles. The sheet will be most beneficial for new Board members to help them become quickly familiar with names and faces. Also revealed was the new Foundation website at [www.foundation.sonoma.edu](http://www.foundation.sonoma.edu).

**II. Public Comment Period**

No public comments were requested/made.

**III. Approval of the December 7, 2018 Board Minutes**

*(see 3.15.19 meeting packet)*

McDougall requested motion to approve the December 7, 2018 Board Minutes.

Motion: To approve December 7, 2018 Board minutes.

Action: Approved unanimously.

**IV. Special Presentation – Osher Lifelong Learning Institute**

*(see 3.15.19 meeting handouts)*

Carin Jacobs and Kirsten Tellez presented on the Osher Lifelong Learning Institute (OLLI) program that operates through Sonoma State University's School of Extended Education and International Education (SEIE). Highlights from the presentation included the following:

- SSU's OLLI program is one of the 122 OLLI institutes nationwide and is in its 20<sup>th</sup> year at SSU.
- OLLI has the 7<sup>th</sup> largest endowment at SSU.
- 65% of the funding of the program comes from OLLI student tuition with 25% from the endowment, and 10% from donations to the program.
- The program raises approximately \$35-40k through its annual fund.
- OLLI has 100% giving from its Board members.
- SSU OLLI has a satellite program in Downtown Santa Rosa giving better exposure and ease of access to students in the program.
- Next year, OLLI program will be moving to the Sonoma Mountain Village (SOMO) business center in Rohnert Park due to the upcoming Stevenson Hall remodel.

## V. University President's Report

Dr. Sakaki provided campus updates to the Board on the following:

- On March 7, Dr. Sakaki along with two SSU student leaders, two staff and the Statewide CSU Academic Senate president joined with the CSU delegation to meet with legislative leaders in Sacramento as part of CSU Advocacy Day. They discussed and encouraged the adoption of the governor's proposed CSU budget and discussed a proposed bond measure to address the deferred maintenance and facilities needs on campus. Overall it was a very good visit.
- On March 12, at the invitation of Congressman Mike Thompson, Dr. Sakaki traveled to Washington, D.C. to share her experience with the North Bay fires in 2017 and testify on behalf of victims of natural disasters to promote tax relief and reform for those affected.
- The President's Advisory Council on Diversity is looking to enhance and expand their committee. They are looking to add community members as part of the group. The new Chief of Staff, Jerlena Griffin-Desta and Library Dean, Karen Schneider are co-chairing the committee.
- The Petaluma Workforce Housing project is moving along and SSU are now owners of the property. A punch list of to do's are being worked through before interested faculty and staff can move in.
- On March 26-28 is the CSU Alumni Reception and Hill Day which will take Dr. Sakaki, student leaders, and other SSU staff to New York and Washington D.C. to reconnect with SSU Alumni from that area.
- April 13<sup>th</sup> is Seawolf Decision Day, a day to welcome potential new students and help them decide to come to SSU.
- SSU Commencement will be held on May 18 & 19.
- SSU was rated No. 12 by Money Magazine as one of the best colleges in the nation for transfer students. Thanks to the hard work of faculty and staff alike, 62.6 percent of SSU's transfer students now graduate within two years.

- Dr. Brigitte Lahme, professor and chair of the Department of Mathematics and Statistics at SSU was selected by the National Resource Center and Cengage Learning to receive a 2018-19 'Outstanding First-Year Student Advocate' Award. The national award recognizes educators who are doing exceptional work in the areas of student learning, development and success, according to the National Resource Center. Lahme was one of 10 recipients but one of the only chosen from four-year colleges and universities.

## **VI. Consent Agenda**

*(see 3.15.19 meeting packet)*

McDougall requested a motion to approve consent agenda items, SSUF Quarterly Financial Statements as of 12.31.18 and Endowment Performance Report.

Motion: To approve consent agenda items.

Action: Approved unanimously.

## **VII. Committee Reports**

*(see 3.15.19 meeting packet)*

### Audit Committee Report

Randy Pennington, Audit Committee Chair, reported to the Board that currently there is an Audit Committee membership vacancy. He put out a request for a Board member to join and they can attend the next meeting as a guest if preferred to decide if they wish to continue. He mentioned that if there is no Board interest he will look into appointing a non-board member to serve. Audit Committees next meeting is scheduled for May 22<sup>nd</sup>.

### Governance Committee Report

David Felte, Governance Committee Chair, announced there is a Governance Committee membership vacancy and newest member, Terry Atkinson, has shown interest and has agreed to serve on the committee. Atkinson has previous investment banking experience as well as experience with San Diego State University's Campanile Foundation.

Motion: To approve Governance Committee appointment of Terry Atkinson to be a member of Governance Committee.

Action: Unanimously approved.

Felte reminded Board members about previously participating in a process with LEAP Solutions to provide input on the development of the University's Strategic Plan 2025. Felte shared that the next step will be for the Board to develop a plan for the SSU Foundation that supports University Advancement's plan which supports the University's plan.

Felte referred to the University Advancement Draft Plan which show's five overarching goals. Felte encouraged Board members to think ways the Foundation can support and integrate those goals.



Felte continued with addressing to the Board that the long term goal of the Governance Committee is to do two things; 1) To review governance policy / procedures and 2) To make sure the Board is growing and engaged.

Felte requested from the Board volunteer meeting attendees to answer a couple of questions stating, "Why are you on the Board and what drives you to show up and be engaged?". Going around the room each Board member attending (including via phone) took turns answering the question.

Felte explained that the Governance Committee has a target goal to grow the Board to 20 community members in next 12-24 months. He said given the responses that were just given on why Board members serve on the Foundation Board, Felte expressed that it would be the Governance Committee's goal to nominate and vote in new individuals that share the same commitment and willingness to be engaged with Sonoma State University.

Felte prompted to have the committee's current list of Board prospects passed around for Board members to see and possibly make a connection or two with anyone on the list. Also provided was a sheet to add any new prospects to the list to consider.

#### Investment Committee Report

Hannah reviewed the NACUBO TIAA Study of Endowments (NTSE) Results Comparative Data Sheet with the Board. The Comparative Data Sheet shows results of the NTSE survey vs. the SSUF Endowment. Key points included the following:

- SSUF's Endowment increased by \$2M to total \$49.1M as of 6.30.18.
- SSUF's investment objectives and asset allocation is more conservative and less volatile than its peers therefore performance was lower in comparison as a result in last economic cycle.
- SSUF's administration fees are lower than its CSU peers and SSUF's spending rate is more conservative than NTSE peers.
- Nationally there is a growing concern with endowments falling short on return objectives over last 10 years, thus eroding purchasing power of endowment and putting greater pressure on fees and spending rates.
- In the area of endowment management practices the survey showed a general movement to outsourcing more elements of investment function as the investment landscape becomes more complex and challenging.
- Institutions continue to have conversations around Socially Responsible Investing (SRI) but the method for implementing SRI varies by institution.

Hannah provided the Board with an Endowment Performance Update and stated since 6/30/18 (thru 12/31/18) the Endowment suffered a 6% loss) but had gained back approx. 6% through mid-March and thus is generally flat FYTD.

Hannah updated the Board that the previous Galbreath Endowment Manager, Phil Brewster has retired and new institutional fund managers at Merrill Lynch, Daniel Pantucci and Brian Bonvechio have been assigned. Pantucci and Bonvechio had a meet and great with the Investment Committee and recommended some revisions to the Galbreath investment policy. The Galbreath Preserves are supported by a \$1.2M non pooled endowment fund.

Hannah did a brief update on the 10 SSUF owned townhomes to let Board know that following a staff meeting with AVP for Facilities, a plan was developed for an on-going annual deferred maintenance budget of \$100K that would cover redoing the flooring, carpet, and paint instead of

paying for a full renovation. The expense would come from rent collected by tenants. Hannah noted that discussions for a longer term goal for workforce housing integration outside of SSUF ownership/management continues.

Mike Sullivan, Co-Chair of SSUF Investment Committee reported to the Board information surrounding the Socially Responsible Investing (SRI) Position Statement drafted by the Investment Committee. Sullivan explained that in response to the CSU Board of Trustees resolution and CSU Leadership encouragement to consider SRI/ESG investing, the Investment Committee has made an effort to consider and draft a position statement. The intention is to be good supporters of citizens and the community and to keep up with changes in society. The Position Statement or Policy should be custom and appropriate for each institution.

Sullivan noted that having the position statement falls in line with the newly implemented SSU Strategic Plan core values, mainly to sustainability. He shared that if students or other groups request investment changes or pass a resolution from a sustainability perspective, have a vetted statement/position would be a benefit to the Foundation and the SSU campus President.

Sullivan told the Board that SSUF's Investment Consultant Graystone, presented to the committee on Morgan Stanley's impact/ESG investing platform and provided high level discussion of how Graystone would implement if approved by Board. Per Graystone, current research shows that portfolio performance could be maintained and the decision to engage in socially responsible investing would not necessarily mean giving up better performance. The Investment Committee discussed this topic at numerous meetings and agreed to elevate conversation to Board level and is an action item for the meeting.

Sullivan next reported on the outcome from a recent meeting with consultants from RVK regarding education and discussion of potentially moving to an OCIO (Outsourced Chief Investment Officer) investment model. RVK provided assessment of the Committee's questionnaire results on the following general areas: Governance, Investment Philosophy, Advisor/OCIO Relationship. RVK used the results to frame a discussion with the Committee and discussed the level of decisions and discretion to give the Foundation's chosen investment advisor/consultant using a lens of what the Committee composition will be in the long term and not the current committee make up and expertise. Sullivan noted that the current non-discretionary investment model is a slower more cumbersome process which doesn't allow Graystone to make changes in timely manner. The Committee agreed that moving to an OCIO investment model is a more sustainable approach as Committee members change. At the 1/25/19 meeting, the Committee agreed to recommend to the Board to move to an OCIO discretionary investment model. The change would lead to contractual changes with Graystone as well as Investment Policy changes on the role of the advisor vs committee.

Lastly, Sullivan updated the Board with some Investment Committee member changes. Mike Marovich has resigned from the Board as well as his role on the Investment Committee and Rob Eyler has announced he will serve through the end of fiscal year and then will be stepping down from the Committee as well. Due to these recent changes there is a vacancy on the Investment Committee and newest member Terry Atkinson has agreed to serve. Terry has 35 years' experience in public finance and investment banking industry and was formerly Chair of Finance and Investment Committee at San Diego State University (SDSU) Campanile Foundation. Sullivan requested a motion to approve of the appointment of Terry Atkinson per nomination of the Investment Committee Co-Chairs, Mike Sullivan and Ian Hannah.



Motion: To approve Committee recommendation to appoint Terry Atkinson as a member of the SSUF Investment Committee.

Action: Unanimously approved.

Atkinson did disclose that he had worked for Morgan Stanley in his career, but no longer works for them.

## **VIII. Action Items**

*(see 3.15.19 meeting packet)*

As discussed in the Investment Committee report McDougall asked for a motion to approve the OCIO Model for Pooled Endowment Investment Management.

Motion: To approve the Investment Committees recommendation to move to an OCIO Investment Consultant/Manager model for managing the Foundation's Pooled Endowment assets.

Action: Unanimously approved.

McDougall next asked for a motion to approve the SSU Foundation SRI/ESG Position Statement.

Motion: To approve the SRI/ESG statement constructed by Investment Committee.

Action: Majority approved with 1 vote of opposition.

## **IX. Vice President, University Advancement's Report**

*(see 3.15.19 meeting packet)*

McDougall shared with Board members the CSU 17/18 Donor Support report. Limited hardcopies were provided to members. McDougall highlighted the SSU donor impact stories as well as the Appendix in the back of the publication which provides data and figures of the CSU Peer groups. He noted that the 3 year average (15/16 thru 17/18) SSU gift commitment, is \$11.9M annually.

McDougall reviewed the Quarterly Philanthropic Summary Report which shows Fiscal Year to Date (FYTD) thru 12/31/18, the University and the Foundation have received \$3.2M in gift commitments. He noted that currently that figure is approaching \$5M with many potential gifts in the pipeline in an attempt to meet the \$9.5M goal by the end of the fiscal year.

McDougall announced the hiring of SSU's new Sr. Director for Alumni Engagement and Annual Giving, Tiffany O'Neil. McDougall said O'Neil has been charged with leadership in boosting Alumni Engagement.

McDougall also shared at the recent CASE District VII Conference in Anaheim, CA, SSU Green Music Center and University Advancement were recognized with a Gold Medal for the Thicker Than Smoke fundraiser held after the devastating fires of 2017.

Lastly McDougall spoke to the Board about University Advancement's strategic plan goals which were given to all Board members for their review. He told members that it will now be the

Foundation Board's turn to provide and add their strategies in aligning with the University's Strategic Plan.

McDougall requested feedback on holding a potentially separate Board meeting or adding extra time to an upcoming Board meeting (possibly June 7<sup>th</sup> meeting) to engage in meaningful conversation about the Foundation's part in the Strategic Plan as well as discuss Board philanthropy and possibly conduct a Board assessment. Board members shared their time availabilities to be considered when scheduling the special meeting/retreat.

## **X. Student Update**

In AS President, Carley Chatterley's absence, AS VP for Finance, Christina Gamboa spoke to the Board about the latest Associated Students campus updates.

Gamboa shared the following:

- Spring Break is arriving for students! Students will be enjoying their break March 18-22<sup>nd</sup>.
- AS has recently approved grant funding to student clubs to allow them to register and take part in club related conferences.
- At this year's State Advocacy day, CSSA and CA Higher Education lobbied in Sacramento for several issues concerning students including support of a Bill proposal that would allow for changes to the Cal Grant eligibility requirements.
- April is AS elections and soon a new AS President and new officers will be elected.
- SSU Graduation is quickly approaching and will be held May 18<sup>th</sup> & 19<sup>th</sup> at the Green Music Center.
- Gamboa announced with the elections of new AS officers and Graduation approaching both Chatterley and herself will be exiting their roles with AS and Graduating this May.

With Gamboa's graduation announcement, Hannah presented Gamboa with parting gifts for her and Chatterley to wish them well and thank them for their service on the Foundation Board.

## **XI. Alumni Association Update**

Felte shared McDougall's earlier acknowledgement of newly appointed Tiffany O'Neil, Senior Director of Alumni Engagement and Annual Giving as she will also fill the role of the new Executive Director for the Alumni Association. Tiffany has been at SSU for 18 months and was previously a Director of Development. She's also an alumna and is excited to build upon the successes of the Association.

Felte told the Board that the selection process for the 2019/20 Nichols Scholarship and the Heart of SSU Scholarship recipients has begun. There is a combined 188 candidates who have been identified that fit the initial criteria for the two scholarships. Candidates must submit a written narrative to move forward in the selection process and finalists will be invited to campus for interviews next month. One outstanding student will be selected for each scholarship.

He also noted that the Distinguished Alumni selection has been finalized and will be announced soon.


Upcoming Alumni Association Events announced were:

- Toast of the Town (celebration for the 2019 graduates) will be held on Wednesday, May 15<sup>th</sup> starting at 5:30pm at GMC Trione Courtyard.
- New event - Networking at Bear Republic in Rohnert Park will be held on Thursday, May 16<sup>th</sup> from 5-7pm. The Alumni Association is partnering with the Career Center and Student Affairs to host a networking mixer for our SSU's new 2019 graduates with SSU alumni and employers.

XII. New Business / Announcements / Adjournment

Meeting adjourned at 2:27pm.

  
*Minutes Approved by:*  
Ian Hannah  
*Chief Operating Officer &  
Secretary, SSUF*

  
*Minutes Prepared by:*  
Kyle Bishop-Gabriel  
*Advancement/Foundation Analyst, SSU*



Record of Attendance  
March 15, 2019

		<i>First</i>	<i>Last</i>	<i>Attendance</i>
1	Mr.	Gordon	McDougall	Present
2	Mr.	Ian	Hannah	Present
3	Ms.	Amanda	Visser	Present
4	Ms.	Jeannette	Anglin	Present
5	Mr.	Terry	Atkinson	Present
6	Mr.	Herm	Benedetti	Present
7	Mr.	Sam	Brown	<i>Absent</i>
8	Dr.	Jean Bee	Chan	Present
9	Ms.	Anita	Christmas	<i>Absent</i>
10	Ms.	Carley	Chatterley	<i>Absent</i>
11	Mr.	David	Felte	Present
12	Mr.	Tom	Gillespie	<i>Absent</i>
13	Dr.	John	Kornfeld	Present
14	Ms.	Christina	Gamboa	Present
15	Mr.	Dan	Libarle	Present
16	Ms.	Joyce	Lopes	Present ( <i>late</i> )
17	Dr.	Andréa	Neves	<i>Absent</i>
18	Mr.	Randy	Pennington	Present ( <i>tele.</i> )
19	Mr.	Irwin S.	Rothenberg	Present
20	Dr.	Judy	Sakaki	Present
21	Mr.	Michael	Sullivan	Present ( <i>tele.</i> )
22	Mr.	Brent	Thomas	Present
23	Dr.	Lisa	Vollendorf	<i>Absent</i>

Members Present 17

Members Absent 6

Board Quorum 12 *Article IV, Section 6, Bylaws*

Staff/Guests Present:

Ms. Kyle Bishop-Gabriel – *Advancement Operations/Foundation Analyst, SSU*

Ms. Kirsten Tellez – Director of Development, SSU

Ms. Carin Jacobs – Director of Osher Lifelong Learning Institute, SSU

Ms. Jerlena Griffin-Desta – Chief of Staff & Associate VP for Strategic Initiatives and Diversity