California State University Stanislaus Foundation
Minutes of the December 12, 2013 Foundation Board of Directors Meeting

Members Present: J. Brenda, S. Carroll, S. Gemperle, R. Giambelluca, K. Clauss Jorritsma, G. Petrulakis, S. Pok, R. Robbin, M. Salameh, J. Sheley, M. Stokman, R. Triebsch, S. Wooley, N. Naraghi, D. Huber, W. Trezza, D. Bizzini, M. Ireland, Jr.,
Members Absent: W. Ahlem, F. Brenda, M. Elam, C. Bright Tougas, J. Vilas, A. Ashrafzadeh, E. Fitzpatrick, J. Jacinto, M. Swanson, J. Vieira
Other Attendees: J. Benevedes, C. Esther, A. Fleenor, B. Hutton, J. Helzer, A. McNally, E. Rizo, J. Strong, W. Olmstead

I. WELCOME AND CALL TO ORDER

Meeting called to order at 3:08 p.m. by Board President George Petrulakis.

II. APPROVAL OF MINUTES

A. Foundation Board Meeting September 26, 2013 *(Attachment II-A)*
The September 26, 2013 meeting minutes were unanimously approved.
MSP (Ireland/Gemperle)

III. COMMITTEE REPORTS

A. Finance & Investment Committee

Dorothy Bizzini presented the Finance & Investment Committee report. The Finance & Investment Committee met on December 3, 2013. Andrew Price from Graystone Consulting/Morgan Stanley Smith Barney attended the meeting. The committee reviewed and discussed the following reports as of September 30, 2013, provided in the *Information Items Section VI* of the Board of Directors packet: Morgan Stanley Smith Barney Investment Report; Financial Statements; and Endowment Report.

The results of the Endowment Investment Activity held with MSSB are as follows:

i. The funds had a return of investment of 7.77% after expenses since inception (01/01/2010).
ii. The pooled endowments had a return on investment of 4.81% for the fiscal year-to-date (July 1, 2013-September 30, 2013).
iii. Positive return on investments decreased the portion of endowments previously reported as "underwater". Management believes that the underwater endowments will be fully restored by the end of this fiscal year.
iv. Andrew Price of MSSB recommended changes to the fund managers and recommended asset allocation. After discussion the Committee approved his recommendations.
v. As of September 30, 2013 the total endowment investment with MSSB was $10,053,177.
vi. In October 2013 the Foundation endowment fund disbursed $291,000 to the University for scholarships and programs.

The Financial Statements for the quarter ended September 30, 2013 were presented and reviewed:

i. The overall Financial Position of the Foundation was favorable.
ii. Cash and Investments increased approximately $773,000 from prior year.
iii. Total Net Assets at the end of the year totaled $16.77M with an increase to Net Assets of $639,850 for the quarter.

B. Audit Committee

Michael Ireland, Jr. presented the Audit Committee report. The Audit Committee met on November 5, 2013. Staff presented the 2012 Federal Return of Organization Exempt from Income Tax (Form 990), which is an annual filing requirement with the Internal Revenue Service. The committee reviewed and unanimously approved the release of the Form 990 to the Internal Revenue Service along with the California Form 199 and the Attorney General Form RRF-1 to the appropriate taxing agency.

IV. UNIVERSITY PRESIDENT'S REPORT

University President Joseph F. Sheley's report consisted of the following:

Investiture – President Sheley thanked the underwriters and everyone who attended his investiture for their support. He shared that the CSU Chancellor and other campus Presidents, who attended the investiture, were impressed by the strong sense of campus community, and in particular, by the 160 student athletes who lined the pathway from the ceremony to the reception.

Excellence Funds – The College of Education has prepared a proposal for the Christie Sue Whalen-Sexton Fund for Excellence in Education. President Sheley requested that Provost James Strong engage two board members to serve on the Stewardship Committee and to provide a report to the board.

Budget – President Sheley provided an overview of the budget and enrollment, stating that the university budget is stable, and he explained that the approach to the budget will focus on the recommendations of the University Budget Advisory Committee (UBAC), under the leadership of Chair Eileen Hamilton and Associate Chair Carl Whitman.

Community Outreach – President Sheley expressed his desire to maintain the momentum garnered during the investiture by reaching out to alumni and increasing the university's visibility through our athletic events and the wearing of university apparel. At President Sheley's request, Vice President for Business & Finance Russell Giambelluca summarized efforts to sell logo wear in public venues, to increase third party events through the hiring of an events manager, and to plant a citrus grove as the beginning of an agriculture station that will eventually be linked to academic programs.

Guest Speaker – President Sheley introduced Dr. Jennifer Helzer, of the Geography Department, to provide board members with a presentation of the university's Geographic Information Systems (GIS) and Geospatial Technology courses. Dr. Helzer described the history of GIS and its use by a variety of disciplines and summarized the classes offered by CSU Stanislaus and potential for careers in the field.

V. UNIVERSITY ADVANCEMENT REPORT

Shirley Pok, Vice President for University Advancement, provided the following report:

Investiture – Vice President Pok thanked the underwriters for their contributions to the investiture, stating that over five hundred people attended the investiture reception, an indication of how the event brought the campus and community together.

Athletic Department Projects – Vice President Pok stated that the replacement of damaged seats in the baseball stadium, a project fully funded by Matt and Maria Swanson, has been completed. She added that the renovation of the press box was funded by Jim and Julie Vieira.

Advancement Website – While the University Advancement website is currently being redesigned by staff, an outside vendor will complete its final stages.

Activities – Vice President Pok reported that during the past seven months, she has been assessing the needs of the department, rebuilding the staffing structure and creating job descriptions, and conducting a search to fill positions. She stated that she was pleased to share, that of the ten employees hired, five are CSU Stanislaus alumni.

Alumni Activities – In October, University Advancement reached out to the 2013 graduates, welcoming them as new alumni, and inviting them to join the Alumni Association. A week ago, a letter was mailed to those who did not respond. President Sheley remarked that alumni form an important advocacy base for the university when competing for scarce resources. Vice President Pok thanked ASI President Mariam Salameh who is working with Advancement staff to rebuild the alumni program, beginning with the current student body.

Vines – Vice President Pok explained the rationale behind the decision to cancel the Vines event due to the difficulties involved in planning the event without an alumni director and necessary staff. Stating that it is important to maintain the university's reputation for a quality event, she indicated that notifications of the 2015 Vines date will be mailed in February 2014.

VI. INFORMATIONAL ITEMS

A. Morgan Stanley Smith Barney Investment Report as of September 30, 2013 (Attachment VI-A)

B. Financial Statements as of September 30, 2013 (Attachment VI-B)

C. Endowment Report as of September 30, 2013 (Attachment VI-C)

VII. NEXT MEETING DATE

Interim Executive Director Briquel Hutton announced that meeting dates for the calendar year 2014 would be provided to the board in January, 2014.

VIII. ADJOURNMENT

Board President George Petrulakis adjourned the meeting at 4:38 p.m.

Recorder _____
Wendy Olmstead

Approved _____ **Date** 2/20/2014
George A. Petrulakis
President
California State University, Stanislaus Foundation