

**MINUTES OF THE BOARD OF DIRECTORS OF THE
CALIFORNIA STATE UNIVERSITY SAN MARCOS UNIVERSITY FOUNDATION**
A California Nonprofit Public Benefit Corporation

September 13, 2012

Members Present:

Helen Adams, Luanne Bas, David Bennett, Dan Calac, Sammi Carr, John Fortune, Ed Fuller, Ron Gerevas, Linda Hawk, President Karen Haynes, Neal Hoss, Tony Jackson, Michael McDonald, Jack Raymond, Esther Stearns, Steve Wagner, Jill Watts

Members Absent:

Maryann Edwards, Barbara Harper, Ken Markstein, Josh Pack, Chris Tresse

Staff Present:

Cathy Baur, Bruce Genung, Donna Lutkus, Greg Svatora

Guests:

Dana Reedy, Director of Prospect Research and Advancement Services

Proceedings:

On September 13, 2012, and pursuant to California Corporations Code Section 5211(a)(6) a business meeting of the California State University San Marcos Foundation Board of Directors was called to order at 7:33 am by Mr. Jack Raymond, Chair of the Board.

I. Welcome, Updates & Announcements:

Mr. Raymond welcomed everyone to the meeting and requested that all members sign the Conflict of Interest Acknowledgment.

The question of the quarter was asked by Mr. Raymond: If you could enroll in one class this fall at CSUSM – what would it be – and why?

II. Story of the Quarter:

President Haynes advised that on Thursday, September 20, 2012 she will announce the launch of the CSU Institute for Palliative Care at Cal State San Marcos. She encouraged all Board members to attend the launch. She provided background on palliative care and how the Institute came to be at Cal State San Marcos, mentioning that palliative care and the lack of training will have impact locally, statewide and nationally.

The Institute for Palliative Care at California State University San Marcos will focus on the following:

- Training the existing workforce through training and certification programs
- Training the future workforce through integrating palliative and interdisciplinary care into CSUSM curricula, beginning with nursing
- Community education and outreach

Receiving \$1.2 million in June 2012 will launch the Institute but additional funding is needed. Mr. Raymond encouraged Foundation Board members to support the Institute philanthropically as

well as by providing connections of other supporters to include, but not limited to, facilities and other naming opportunities.

III. President's Remarks

The President provided the following update:

- The 2012/13 academic year has begun with over 11% increase in demand this fall over last year for first time students. Student population continues to mirror the region in demographics including 50% first in family to receive higher education degree, 45% of color, highest per capita veterans and foster youth.
- The QUAD, a brand new student housing located off-campus and across the street, has opened and is filled to capacity with 288 students, meanwhile the on-campus student housing is also filled with names on a wait list.
- Dr. Sharon Lightner was hired to serve as the Dean for the College of Business Administration.
- Budget update:
 - The President will hold her 16th Budget Forum later today where she will review the annual state funding to the CSU which is down \$968 million.
 - She discussed the Governor's proposed tax measure on November's ballot. If passed, the measure will raise income taxes on high-income earners and increase the state sales tax for a three-year period, with an expected roll back of the tuition increase which was passed by the CSU Board last November. If it fails, it will trigger a \$250 million cut to the CSU, or \$5.5 million to CSUSM, bringing the total cut to CSUSM to \$20.9 million.

IV. Vision/Mission/Best Practices:

- A. Board Expectations and Best Practices – Mr. Hoss reviewed the “Expectations for CSUSM Foundation Board Members” noting that input was provided by Board members during the May 30 planning session. After some discussion, Mr. Raymond requested a motion to accept the “Expectations for CSUSM Foundation Board Members” with a change in “Active Participation in the Work of the Board” from “fifty” to “seventy-five” percent. It was moved by Mr. McDonald, including “seventy-five” percent participation, seconded by General Jackson and unanimously carried that the “Expectations for CSUSM Foundation Board Members” were approved.
- B. Mission – Mr. Hoss reviewed the “Mission” of the CSUSM Foundation Board, noting that input was provided by Board members during the May 30 planning session. Mr. Raymond requested a motion to accept the “Mission” of the CSUSM Foundation Board. It was moved by Mr. Fuller, seconded by Mr. Bennett and unanimously carried that the “Mission” of the CSUSM Foundation Board was approved.
- C. Vision – Mr. Hoss reviewed the “Vision” of the CSUSM Foundation Board, noting that input was provided by Board members during the May 30 planning session. After some discussion on the length of a vision and what should be included, Mr. Hoss was tasked with capturing the President’s vision in a simple and easy to remember sentence.

ACTION ITEM: Mr. Hoss to edit the “Vision” of the CSUSM Foundation Board.

V. Consent Agenda

Mr. Raymond requested a motion to approve the consent agenda which included the previous meeting minutes and budget for fiscal year 2012/13, it was moved by Ms. Stearns and seconded by Ms. Bas. The May 30, 2012 minutes and 2012/13 budget were approved.

VI. Committee Reports

A. Executive Committee

Mr. Raymond announced that Ms. Stearns and Major General Jackson have both accepted the role of Vice Chair for the CSUSM Foundation Board. Most Committees of the Board will also designate a Vice Chair.

He reviewed the charge for the Executive Committee and mentioned that the Committee will meet and bring forward ideas for ratification to the Board. The minutes will be provided to all Board members. He requested a motion to approve the Executive Committee charge. It was moved by Ms. Carr, seconded by Mr. Fortune and unanimously carried that the Executive Committee charge was approved.

ACTION ITEM: Staff to forward minutes from July 2012 Executive Committee meeting.

During the July 2012 meeting, the Executive Committee reviewed Vice Chairs, Best Practices, Vision/Mission, tabled the Honorary/Emeritus status of a Board member and the recommendation of creating a Marketing Committee to support the CSUSM Foundation Board. Mr. Raymond requested a motion to approve the Executive Committee's recommendation to create a formal Marketing Committee to support the CSUSM Foundation Board. It was moved by Mr. Fuller, seconded by Mr. McDonald and unanimously carried that a Marketing Committee will support the CSUSM Foundation Board.

B. Marketing Committee

Mr. Fuller announced that he will serve as Chair of the Marketing Committee and that Maryann Edwards will serve as Vice Chair. Councilmember Edwards will transition roles from Finance and Investment Committee. Other members are Esther Stearns, Steve Wagner and a Committee only member, Glen Brodowsky, a faculty member in the College of Business Administration.

He referenced the Committee's charge and requested Board members contact him directly with any issues/concerns. The Marketing Committee will meet for the first time at the conclusion of the Board meeting. They will support CSUSM's Communication efforts, including those related to fundraising, and will be staffed primarily by Cathy Baur, Associate Vice President for Communications. Ms. Baur advised that Catalyst was unanimously selected during the RFP process as CSUSM's fundraising communications vendor.

C. Audit Committee

Ms. Adams advised that at the July meeting the Joint Audit Committee engaged the auditors for pre-work during the audit process. Mr. Svatora advised that the drafts are in process, will be reviewed and sent to the Chancellor's Office at the end of September.

A Vice Chair is not required for the Audit Committee.

D. Finance and Investment Committee

Mr. Hoss announced that Chris Tresse will serve as the Chair of the Finance and Investment Committee and that Maryann Edwards will transition to the Marketing Committee. A Vice Chair has yet to be assigned.

He advised that at the last meeting, the Committee discussed rebalancing the portfolio's hedge fund investments and deferring until later consideration of other investments that might include real estate and other commodities.

Summary financial statements were provided in the agenda packet for Board review, with complete financial statements and investment performance information included in advance via email.

E. Membership and Fundraising Joint Committee

Mr. McDonald announced that Barbara Harper will serve as Vice Chair of the Fundraising Committee.

He advised that while the July meeting did not have a quorum, those in attendance discussed creating individual goals for each Board member to include:

- Philanthropic support
- Participation and sponsorship at events such as: Gala, Report to the Community, Cougar Scramble, etc.
- Connections and introductions of friends.
 - Recommend friends to join President's Circle
 - Introduce new prospects for Board membership
 - Host events in your home or on-campus
 - Assist at Peer Screening meetings

Ms. Carr provided an update on the Senior Class Giving Campaign, noting that they plan to launch the campaign in October during homecoming.

Dr. Calac advised that a Vice Chair for the Membership Committee has yet to be assigned.

Mr. Hoss mentioned that the meetings have been held jointly as prospects are reviewed for potential membership on the Board, as financial supporters, or both. He mentioned that the goal is to increase membership by adding an additional 4-5 members by calendar year end.

He thanked General Jackson for the remarks he provided at the President's Circle event on Sunday, including the invitation for others to join.

VII. Development Update

A. Fundraising

Mr. Hoss provided an update on fundraising and other activities in University Advancement, noting that CSUSM is the smallest and youngest campus in the system to be so ambitious. He provided an update on the development of campus the fundraising priorities and the drafting of one-page case statements to support the efforts. Mr. Hoss provided a list of some of the priority areas that are being considered.

B. Dana Reedy, Director of Prospect Research and Advancement Services

Ms. Reedy provided background of her role supporting the University including, but not limited to: Database support, prospect management, gift processing and prospect research.

Concluding the Development Update, Mr. Hoss reminded Board members to review the event list provided and encouraged support and attendance at the following events:

- IPC Launch – September 20 from 11 am – 2 pm
- Tapas and Topics – October 25 from 6 – 8 pm (invitation to be sent early next month)
 - Both Mr. Raymond and Mr. McDonald strongly recommended this event for all Board members and their constituents to learn about the various colleges and programs at the University.
- Cougar Scramble Golf Tournament – November 5th
- President's Annual Open House, November 18 (Date Change) from 2:00—5:00 p.m., at President Karen Haynes's Residence (changed date from December 9. Invitation to be sent later this year)
- Gala – June 8, 2013 (invitation to be sent)

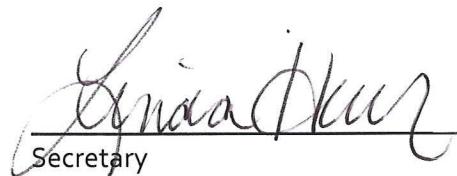
VIII. Chair's Remarks

Board members each shared their individual 'take-a-ways' from the meeting.

Adjournment:

There being no further business, Mr. Raymond adjourned the meeting at 9:28 am.

Dated: September 13, 2012



Lynia Duer
Secretary