

MINUTES OF THE BOARD OF DIRECTORS OF THE CALIFORNIA STATE UNIVERSITY SAN MARCOS UNIVERSITY FOUNDATION

A California Nonprofit Public Benefit Corporation

December 6, 2010

Members Present:

Helen Adams, Jack Charney, Bennett Cherry, Les Cross, Maryann Edwards, John Fortune, Linda Hawk, President Karen Haynes, Neal Hoss, Marco Lemus, Michael McDonald, John Pettitt, Jack Raymond, Jeff Robin, Chris Tresse

Members Absent:

Linda Bailey, David Bennett, Dan Calac, Mark King, Ruth Mangrum, Ken Markstein

Staff Present:

Vic Calise, Bruce Genung, Donna Lutkus, Greg Svatora

Guest Presenter:

Chris Clarkson, Bernstein Global Wealth Management

Proceedings:

On December 6, 2010, 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 7:30 am by Mr. John Pettitt, Chair of the Board.

I. Welcome, Updates & Announcements

Mr. Pettitt welcomed everyone to the meeting and introduced Helen Adams, of Deloitte & Touche, retired, John Fortune '03, of MiraCosta College, Marco Lemus, student representative, and Jack Raymond, of The Raymond Companies.

A group photo was taken of the Board members.

II. President's Remarks

President Karen Haynes greeted and welcomed the Board members. She provided the following update:

- In October, we hosted the grand re-opening of our off campus center, Cal State San Marcos at Temecula. The space has been leased to us by the Temecula Valley Unified School District for only a \$1 per year for 10 years and made possible by redevelopment funds from the cities of Temecula and Murrieta.
- The Association of American College and Universities informed us that we are one of 32 universities nationally chosen to participate in their program, "General Education for a Global Century."

- One-year continuation rate for our first-time freshmen has climbed to an all time high of 77.3 percent. The biggest spike was seen among our African American students, which as a group experienced a 19 point jump compared to last year.
- Excelencia in Education, a national nonprofit organization dedicated to accelerating Latino student success, recently awarded us with the *2010 Examples of Excelencia, Baccalaureate Level* for our thriving College Assistance Migrant Program (CAMP). This program helps first generation college students from farm working families succeed in higher education. Our CAMP students are excelling at a retention rate of 80 percent.
- We have begun conversations about restructuring our current college structure to further enhance innovative educational offerings and create new efficiencies. Leadership vacancies in two of our three colleges as well as in our School of Nursing presents us with an opportunity to define who we are to attract new deans that match roles that are parallel to our future vision. This spring we will begin recruiting three new deans to head up a College of Humanities, Arts, and Social Sciences; a College of Science and Mathematics; and a College of Education, Health, and Human Services. Our College of Business Administration will remain unchanged.
- February 3 the President will be presenting her 7th Annual Report to the Community, sharing her vision for the university's future.
- The President will be hosting her annual Holiday Open House celebration at her home on December 12th.

III. Business

A. Approval of September 16, 2010 Foundation Board Meeting Minutes

Mr. Pettitt requested a motion to approve the previous meeting minutes, it was moved by Maryann Edwards and seconded by Mike McDonald. Jack Raymond abstained from the vote. It was so noted that the September 16, 2010 minutes were approved.

B. Committee Reports

i. Audit Committee

Mr. Hoss noted that Helen Adams will represent the Foundation on the CSUSM Joint Audit Committee.

ii. Membership Committee

Mr. Hoss reported on behalf of Chair Calac that the Committee is close to filling the Board. There are currently 21 members on the Board, close to the 2010 goal of 25 members.

In an effort to have the fabric of the Board be a strong representation of our community, the Committee will keep in mind the various industries, geographic locations, ages, and other characteristics of individuals considered for membership.

Mr. Pettitt noted that Dr. Dan Calac was recognized by the University as the Volunteer of the Year at the North County Philanthropy Council Awards Luncheon.

iii. Finance and Investment Committee

The Finance and Investment Committee did not have a quorum at their recent meeting; Chair Edwards provided the following update .

1. Investment performance – Mr. Svatora provided a review of the investment performance for the quarter ending September 30, 2010, noting a 10 percent return on endowments.

Mr. Svatora requested a motion to approve the report of investment performance provided by Canterbury Consulting, the Foundation's investment management firm; it was moved by Maryann Edwards and seconded by Chris Tresse, and unanimously carried that the investment performance report was approved.

2. Operating Budget – Mr. Svatora reviewed the proposed operating budget.

Mr. Svatora requested a motion to approve the operating budget; it was moved by Maryann Edwards and seconded by Les Cross, and unanimously carried that the operating budget was approved.

3. Gift Acceptance Policy – Mr. Svatora presented a first read Gift Acceptance Policy. The policy was reviewed by the Chancellor's Office and includes a Gift Fee Policy. It was requested that the Board review and provide feedback at the next meeting.

ACTION: Board members to review the Gift Acceptance Policy and provide feedback during the next scheduled Board meeting.

iv. Fundraising Committee

1. Update on Fundraising Priorities – Mr. Hoss provided an update on fundraising priorities as follows:
 - Short Term –Athletics and Recreation, President's Discretionary Funds, and Social Behavioral and Sciences Building equipment.
 - Long Term – strategies and priorities are currently being developed with the President, Provost, and others on campus.
2. Foundation Board Engagement and Connection to the Community – Chair McDonald discussed a strategy on approaching and identifying future friends and donors by categories. Bruce Genung, AVP for University Development, will meet with Board members individually to

review the suggested categories and determine a pipeline for new membership and financial support.

McDonald discussed the next step would be to create a series of small events with two different approaches:

- Small gatherings of the select guests, such as those suggested in Mr. Genung's meetings, at The McMahan House, estimating 6-12 people with interest in the University.
- Gatherings in our homes with a presentation by the administration (President Haynes, Deans, Student, etc). He estimated holding these meetings every 1-3 months through the school year, and suggested starting as soon as possible in 2011.

Mr. Pettitt mentioned that the Board has done well with the yearly goals. He mentioned that the Membership Committee's efforts produced a lot of progress with membership, the Finance and Investment Committee was effective in their stewardship of financial resources, and the Fundraising Committee was making progress, but needed some help with new ideas. Ms. Adams offered to join the Fundraising Committee.

C. Dates & Times for 2011 Board and Committee Meetings

Mr. Pettitt referenced the 2011 Board and Committee schedule. Councilwoman Edwards suggested holding a Board meeting in Temecula's new City Hall. A date and time will be determined.

IV. Guest Presentation – Planned Giving Presentation

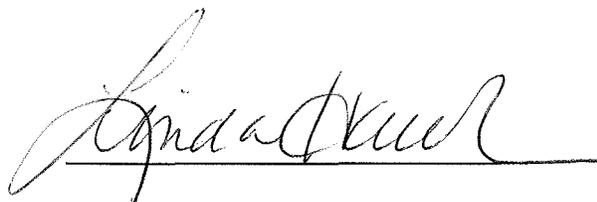
Christopher Clarkson, of Bernstein Global Wealth Management, provided basic tools for Board members to familiarize themselves with Planned Giving as a fundraising tool. The presentation was provided electronically to the Board members. Mr. Tresse noted that the Planned Giving presentation was a tool to assist in generating ideas. For a more detailed approach, he and Jack Charney are available for questions.

V. Future Agenda Items

VI. Adjournment

There being no further business, Mr. Pettitt adjourned the meeting at 9:06 am.

Dated: December 13, 2010


Secretary