

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

December 6, 2012

**Members Present:**

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

**Members Absent:**

Helen Adams, Maryann Edwards, Barbara Harper, Linda Hawk, Tony Jackson, Ken Markstein, Josh  
Pack, Chris Tresse

**Staff Present:**

Cathy Baur, Donna Lutkus, Greg Svatora

**Proceedings:**

On December 6, 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 7:37 am by Mr. Jack Raymond, Chair of the Board.

**I. Welcome, Updates & Announcements:**

Mr. Raymond welcomed everyone to the meeting and congratulated CSUSM for being the highest ranked public institution in California for Veterans and among the best universities in the nation.

The question of the quarter was asked by Mr. Raymond: Over the next year, what are the 2-3 things we need to learn about?

Mr. Raymond reminded the Board that during this giving season, it was the perfect time of year to make a gift to the University and assist with any tax deduction needed.

He encouraged all Board members to attend, sponsor or purchase a table at the Report to the Community.

Mr. Raymond and Mr. Hoss plan to hold quarterly lunches with 2-3 Board members at a time over the next calendar year in an effort to provide an opportunity for more in-depth conversations in an informal atmosphere..

**II. Story of the Quarter:**

Dr. Watts provided an update on two student led projects within the Department of History.

- Orfila: Students are interviewing Ambassador Orfila and plan to capture video of him to support the web-based project detailing the story of his life.
- WAHA: The War At Home and Abroad archive is a digital and oral history project that explores the impact of war on the United States through the memories of veterans, their families, and other members of the community served by CSU San Marcos.

[www.csusmhistory.org/WAHA](http://www.csusmhistory.org/WAHA)

### III. President's Remarks

The President provided the following update:

- Proposition 30 passed. CSUSM will rescind approximately \$4.1 million in tuition fee revenue it expected to receive this year and planned for as part of the budget. The campus will have \$5.4 million, our share of the \$250 million, restored to its budget that was being held centrally in the event that Proposition 30 did not pass. Net is a little over \$1 million.
- Dr. Timothy White, was appointed chancellor of the CSU, beginning at the end of this month. Presidents have already had two telephone conference calls with him, with additional calls scheduled.
- The CSU Institute for Palliative Care was launched at CSUSM in late September. The Institute received \$1.2 million in initial funding from the California Healthcare Foundation and the Archstone Foundation for its first three years. At the launch, local philanthropist Darlene Shiley matched the \$1.2 million received from the foundations.
- At the November Board of Trustees meeting, plans and financing to build a Student Health facility on campus were approved as were plans to renovate campus space for the School of Nursing – bringing both to our campus in 2014.

### IV. Vision:

Mr. Hoss shared a Vision statement for the CSUSM Foundation Board, which came to the Board as recommended for approval from the Executive Committee. Mr. Raymond requested a motion to approve the Vision statement; it was moved by Mr. McDonald and seconded by Mr. Fuller and unanimously carried that "The CSUSM Foundation is the University's catalyst to transform dreams into opportunities for the lives of our students and the future of our region."

### V. Consent Agenda

Mr. Raymond requested a motion to approve the consent agenda which included the previous meeting minutes and Articles of Incorporation Revision; it was moved by Mr. Wagner and seconded by Ms. Bas. The September 13, 2012 minutes and Articles of Incorporation Revision were approved.

### VI. Committee Reports

#### A. Executive Committee

Mr. Hoss reviewed a Gift Fee proposal, which came to the Board as recommended for approval from the Executive Committee. Mr. Hoss discussed the current structure, proposed structure, communication plan for implementation and current trends. After some discussion, Mr. Raymond requested a motion to approve the Gift Fee proposal; it was moved by Dr. Calac and seconded by Mr. Fortune, and unanimously carried that the Gift Fee proposed was approved.

**ACTION ITEM:** Staff to implement proposed Gift Fee.

Mr. Hoss reviewed the *Trusteeship*, an Association of Governing Boards publication and advised that all Board members will be receiving the publication.

Mr. Hoss reviewed a strategy to provide branding opportunities to community members through sponsorships of (3) campus wide events for an annual contribution of \$7,500. Events would include the Report to Community, Gala, and Cougar Scramble or alternate event. He recognized Mr. McDonald as the first participant of this endeavor and Mr. Raymond also agreed to participate.

## **B. Marketing Committee**

Mr. Fuller advised that at its first meeting, the Marketing Committee agreed to spend time addressing seven different areas of focus:

- Building awareness through public relations and marketing in support of the University and the Foundation
- Campaign materials and marketing
- Positioning the University and the Foundation
- Promotions – recommendations, "pricing" of President's Circle and Deans' Councils
- Committee as mini-focus group – staff to bring forward various issues to brainstorm with Committee
- Competition – review what other CSUs are doing and what CSUSM has done in the past
- CSUSM Marketing/Communications Plan – and what has worked in the past

He also advised that Catalyst, the communications consultant, will be visiting campus soon with plans to interview a selection of Board members and other campus constituents.

## **C. Audit Committee**

Mr. Hoss advised that the Joint Audit Committee reviewed the final drafts of the Foundation's audited financial reports with the auditors from McGladrey and Pullen. Although not considered a "material weakness," there was one "significant deficiency" finding related to pledges receivable. Management and the Joint Audit Committee are meeting to discuss a plan of action to work through with McGladrey, to address the finding.

Under consideration is a possible restructure of the Joint Audit Committee where campus auxiliaries, including the Foundation, will each have a separate Audit Committee.

At the conclusion of the report, Mr. Raymond requested a motion to approve the Audited Financial Statements as of 06/30/12; it was moved by Mr. Fuller and seconded by Ms. Bas and unanimously carried that the Audited Financial Statements as of 06/30/12 were approved.

Mr. Hoss also referenced the letters to management and Audit Committee provided to each Board member.

## **D. Finance and Investment Committee**

Mr. Hoss advised that the composite performance is at 19.6% for the 12 month period. In an effort to capture additional return on investments, the Committee asked the investment manager to provide options and an analysis of investments within emerging markets and real estate sectors.

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 Jill Watts has joined the Fundraising Committee.



- Senior Class Giving Committee – Ms. Carr reported that an anonymous \$5,000 matching gift was donated to the Senior Class Gift Campaign. Funds raised will support the Senior Class Gift Student Scholarship Fund, or designated as the donor requests. Should the Committee reach its goal of \$5,000 plus the matching gift, they will consider endowing the scholarship. All donors will receive a water bottle for participating.
- Alumni – Mr. Fortune advised that homecoming was a success with 350 attendees. The phonathon last spring was conducted on our behalf by San Francisco State University.
- Prospect Screening – Mr. Hoss provided an overview of the Prospect Screenings conducted with other Board members as well as the Membership and Fundraising Committee.
- Recruitment – Dr. Calac discussed the needs to recruit members to the Board, potentially in the following industries: accounting, legal, estate planning, manufacturing, medical, entertainment, construction, tourism, agricultural, military, biotech, healthcare, golf, sports, and gaming.
- Events – Mr. McDonald reviewed the Tapas and Topics event. Those that attended agreed that the event was a great tool to educate members and potential constituents. He encouraged members to support Report to the Community and the Gala.

#### **VII. Development Update**

Mr. Hoss discussed the reorganization of the University Advancement Division. He welcomed the Division into the meeting and each member introduced themselves.

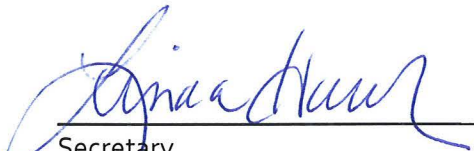
#### **VIII. Guest Presentation – Emily Cutrer, Provost and Vice President of Academic Affairs, California State University San Marcos**

Provost Cutrer provided an overview of Academic Affairs and discussed high level goals for the University.

#### **Adjournment:**

There being no further business, Mr. Raymond adjourned the meeting at 9:35 am.

Dated: December 6, 2012

  
Secretary