The CSULA Foundation Board of Directors
Meeting Minutes
Thursday, January 21, 2010

Present: Joaquin Beltran, Carolyn Frank, Rita Ledesma for Robert Land, Frank Saito, Lisa Chavez, Mae Santos, Elizabeth Wheeler, Sami Siddiqui (via telephone)

Absent With Excuse: Kyle Button, Carol Jackson, Robert Land, Fred Lopez, Mary Pat McEnrue, Jorge Ramirez, Timothy Rogers, Gilbert Vasquez,

Guests: Thomas Leung, University Controller, Susana Moreno, Administrative Analyst/Specialist, Institutional Advancement

The meeting was called to order by Mr. Saito at 11:18 a.m.

President’s Report

The minutes of the October 1, 2009 Board meeting were presented for approval.

A motion was made by Dr. Frank and second by Ms. Wheeler to approve the October 1, 2009 Board minutes as presented.

A verbal vote was conducted and the motion was passed.

Audit / Governance Committee Report

Due to the absence of Mr. Lopez, no report was given.

Investment and Finance Committee Report

In the absence of Ms. Jackson, Mr. Saito reported that the Investment Committee met with the Foundation’s investment counsel, Stanley Morgan Smith Barney (SMSB) and proceeded to review the Foundation’s portfolio as of December 31, 2009.

The portfolio is currently at $16,116,934 recovering approximately $3.1 million dollars of the portfolio in the last 12 months or approximately 25%. Year-to-date growth return for the first quarter was 3.50% vs. the S&P at 6.04%. Since inception the portfolio is up 6.07%.
Brandes Global Equity Review – the Executive Committee and Stanley Morgan Smith Barney Investment Counsel met via conference call and reviewed the manager’s characteristics and agreed to move out of the global portfolio and take the value portion into a new manager. With the Executive Committee’s approval to rebalance the asset allocation, Addendum G was being brought forward for ratification by the Board.

A motion was made by Ms. Wheeler and second by Dr. Frank to approve Addendum G as recommended and approved by the Executive Committee.

A verbal vote was conducted and the motion passed.

2010-2011 Distribution to Account Holders – Mr. Saito reported that the Investment and Finance Committee reviewed the distribution options available for 2010-2011. In making their recommendation the Committee considered past years distributions and the impact of the economy. Also taken into consideration was the possibility of using the reserve funds in the unrestricted areas as well as the recent recovery of the Foundation’s investment earnings. A good faith estimate to award 3% to account holders was agreed by the Committee.

For the benefit of new members the methodology and distribution period was explained.

After discussing the distributions recommended by the Investment and Finance Committee, a motion was made by Mr. Beltran and second by Professor Frank to approve the Investment and Finance Committee’s recommendation of a 3% distribution to account holders for the 2010-2011 fiscal year.

A verbal vote was conducted and the motion passed.

Mr. Saito reported that distribution options would be evaluated at the Investment and Finance Committee’s off-cycle meeting scheduled for March 18, 2010.

Treasurer’s Report

Mr. Leung reviewed the financial statements for the six months ended December 31, 2009.

Total Inflows were a positive $3,465,473 with outflows at $436,966 generating a positive net flow of $3,028,507 and an ending fund balance of $23,965,875.

The Statement of Financial Position and the Statement of Activities were reviewed.

Development and Gift Acceptance Committee Report

Due the late of arrival of Ms. Wheeler, Mr. Saito reported that at the close of calendar year 2009 several gifts were obtained from loyal and repeat donors. New gifts were developed, and pledge
payments were received. The gifts were designated for both scholarships and program purposes and included:

- The final pledge payment of $2 million was received from the Annenberg Foundation for the capital construction of the Wallis Annenberg Integrated Sciences Complex.
- A new pledge agreement was signed for $100,000 to fund a Mesoamerican Lecture Series and scholarships for students studying Mesoamerican culture and an additional $100,000 was pledged for nursing student scholarships.
- A new pledge of $290,000 was negotiated with the College Access Foundation for students enrolled in the Cal-SOAP program.
- A new pledge of $27,000 was received from the Ella Fitzgerald Foundation for nursing scholarships.
- A $40,000 pledge payment was received from Lloyd Cotsen for the Anthropology program. And a new gift was received from Lloyd Cotsen to support the Honors College.

**Executive Director’s Report**

In the absence of Mr. Button the following information was provided.

State Budget - Ms. Chavez reiterated that it is still uncertain how state funding will affect the University in 2010-2011 fiscal year.

UAS Loan - Mr. Thomas Leung reported that the UAS Loan was paid in full and explained for those new members present the purpose and payment schedule of the loan.

The Scholarship Task Force and President’s Scholars/Honors College Program reports will be deferred to the April 22, 2010 meeting.

**New Business**

Mr. Saito reported that he sought to initiate a discussion regarding the review of the Foundation’s mission, goals, and progress. The details will be coordinated with Mr. Button and the Board will be notified once particulars have been established.

As informational items, Mr. Beltran reported that the Kinesiology activities program was being cut and surveys were being distributed to the students in support of the program.

Mr. Beltran is currently working with Dr. Scott Bowman and the Pat Brown Institute in putting together a panel in re-inventing higher education which would cover tax reform and profiting, scheduled for mid-February 2010.

Mr. Beltran also mentioned that after speaking with other campuses, ASI discovered that other University Foundation’s provided their student representative with a tuition stipend allowing them to focus on their responsibilities on campus. Mr. Beltran is requesting that the CSULA
Foundation Board of Directors consider providing tuition and/or a scholarship to assist the Board's student representative.

Mr. Beltran was asked to provide a job description of responsibilities being performed and that the Finance Committee would review and take his request under consideration.

With no further business a motion was made to adjourn by Dr. Frank and second by Ms. Wheeler.

A verbal vote was conducted and the meeting adjourned at 1:00 p.m.

As Secretary of the CSULA Foundation Board of Directors, the minutes of the January 21, 2010 meeting have been approved with noted revisions at the April 22, 2010 Board of Directors meeting.

Gilbert R. Vargas

Date 4/29/10