



# SONOMA STATE UNIVERSITY Academic Foundation, Inc.

Board of Director's Meeting

## MINUTES – December 14, 2007

- I. Call to order. Dr. Armiñana determined that a quorum was present  
(Refer to Record of Attendance for December 14, 2007)
- ❖ Approval of the September 21, 2007 Board Minutes
    - Approved unanimously.
  
  - ❖ University Update. Dr. Armiñana provided the following comments:
    - The State of California may have upwards of a \$14B deficit next year, which translates to approximately a 10% deficit.
      - The Governor's budget release on Jan 10<sup>th</sup> will provide more information on what this means to the CSU.
    - The Green Music Center is currently close to two months ahead of the construction schedule due to minimal rain delays.
    - In the current fiscal year, the entire CSU system is over-enrolled by over 10,000 FTES. SSU is currently over-enrolled by over 300 students. The CSU will be putting a constraint on enrollment for next year.
      - Dr. Bob Schulz asked if the previous growth rate of 5% per year still holds. Dr. Armiñana replied no, SSU's growth rate will be 2.7% next year. However, this is better than the 2.5% CSU systemwide average.
      - Dr. Jean Bee Chan asked if SSU would be more selective going forward as a result. Dr. Armiñana responded that SSU currently has around a 7 to 1 ratio of applicants to enrollment spots available and thus is already selective. Local region and EOP students do receive priority however. The result will be that incoming students may not be admitted to their CSU campus of choice but space will be available for them at other CSU campuses.



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## II. Development Report

(See December 14, 2007 Agenda packet for this document)

Ms. Patricia McNeill was unable to attend the meeting. Ms. Robin Draper discussed the following items:

- A document was provided in the packet which compared first quarter charitable gifts in 2006/07 and 2007/08 by department.
  - The first quarter period is July 1 through the end of September in each year and showed an overall increase in the first quarter of 07/08 compared to the previous year.
- Dr. Saeid Rahimi provided some information related to donations to the School of Science and Technology:
  - The development activities on the academic side include various efforts relating to scholarships and others that are program specific.
  - The School of Science and Technology has benefited from some of the professional programs such as Nursing and Engineering and has seen a growth in donations in these areas. Many local companies benefit from the facilities at SSU and this also helps benefit the students. Dr. Rahimi mentioned the importance of bringing programs to the attention of the community.
- Mr. Dan Lanahan spoke on behalf of his position as chair of the GMC Finale Campaign Committee with the goal of raising \$22M for the GMC.
  - The recent gift from Jean Schulz provided naming of the Recital Hall as "Schroeder's Recital Hall".
  - In August the national fundraising firm Waters Pelton Organization Inc. was hired and a list of approximately twenty-seven foundations or corporations for possible support was compiled, primarily from the local area.
  - Over seventy tours of the GMC site have been conducted.
- Ms. Draper gave thanks to Mr. Lanahan and other members of the committee and thanked Mr. Randy Pennington for his help with the Schulz gift.



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### III. Chief Operating Officer's Report

Mr. Larry Schlereth discussed the following items:

- A new Online Giving feature is being developed out of a piece of functionality of the SSU Common Management System (CMS) and should be prepared to go live by April of 2008.
  - Information on the online donation will go to the Development Office so "thank you" letters can be provided.
- Preliminary results of the NACUBO Endowment Study have been released. The results show that the one year return of 18.5% for the SSUAF General Endowment Pool compared well to a return of 15.9% for similar sized endowments in the \$25M to \$50M range. More complete results will be provided at a future meeting.
- Mr. Schlereth provided an update on the Larry Moore Trust litigation. SSU and twenty-two other charities were named in the will of Mr. Moore. A legal dispute has finally concluded and SSU will be the largest beneficiary, receiving 14.97% of the funds. Some of these funds will be provided to SSU soon and the remainder should be received over the next 10 years, for a total unrestricted gift of around \$800,000.
- The NCCLF agreement will be signed and completed shortly and the \$500,000 in funds should be disbursed to SSUAF for the GMC around the first of the year. This action will relieve the Santa Rosa Symphony of their pledge to the GMC.
- A Zero Balance Checking account or "sweep account" for the SSUAF will be implemented 1/1/08 that will provide a rate of return for funds sitting in the Exchange Bank Checking account.
- The SSUAF \$5M Demand Deposit with the University has been reduced by \$2.75M and the remainder is scheduled to be returned in January of 2008. These funds will be invested with the Commonfund within the General Endowment Pool.



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## IV. Chief Financial Officer's Report

(See December 14, 2007 Agenda packet for these documents)

Ms. Letitia Coate was unable to attend the meeting. Mr. Schlereth and Mr. Jeff Wilson provided the following items:

- Financial activity of the SSUAF was provided as of 9/30/07 in the form of a Condensed Summary of Net Assets, Condensed Summary of Revenues and Expenses, and the General Fund actuals.
- Mr. Schlereth stated that the Foundation plans to have representatives from the various academic schools report on their utilization of the endowment earnings distribution during future meetings. This action was accepted by the Board members.

## V. Action Items

(See December 14, 2007 Agenda packet for these documents)

Ms. Delphine Newman, chair of the Compliance Review Committee, provided the annual report on their review of the past fiscal year's (2006/2007) expenditures made from the permanently endowed funds and expenditures for discretionary and public relations. Ms. Newman provided the Statement of Purpose and Procedures of the Committee. A list of the Committee members and reviewed accounts were also provided.



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The Committee met in November and reviewed thirty separate endowed scholarship funds chosen by Ms. Newman in order to confirm that the amount received by the recipients was correct. The Committee found that two agreements were completed without proper signatures but Ms. Lori Ogg, Scholarship Coordinator for SSU, has followed up and rectified this. One agreement required faculty involvement in the selection process yet this stipulation was not followed. Ms. Ogg checked into the matter and found that there has since been a change in process for awarding the scholarship and thus the criteria for awarding was in fact met. In addition, the group analyzed the discretionary funds and found no issues. Ms. Ogg gave thanks for the opportunity to conduct this annual review.

Motion: Approval of Compliance Review Committee Report

Action: Unanimously approved.

Meeting adjourned at 3:00 p.m.

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Larry Furukawa-Schlereth  
*Chief Operating Officer, SSUAF*

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Minutes Prepared by:  
Ian Hannah  
*Management Trainee –  
Administrative Services and  
Foundation Operations, SSU*



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**Record of Attendance**  
December 14, 2007

		<i>First</i>	<i>Last</i>	<i>In Attendance</i>
1	Dr.	Ruben	Armiñana	Present
2	Ms.	Patricia	McNeill	Absent
3	Mr.	Laurence	Furukawa-Schlereth	Present
4	Ms.	Letitia	Coate	Absent
5	Ms.	Jeannette	Anglin	Present
6	Mr.	Herm	Benedetti	Present
7	Mr.	Sanford	Bressick	Present
8	Dr.	Barbara	Butler	Present
9	Dr.	Jean Bee	Chan	Present
10	Ms.	Anita	Christmas	Present
11	Mr.	John	Comfort	Absent
12	Mr.	Dan	Condron	Absent
13	Dr.	Carmen	Finley	Present
14	Mr.	Tom	Gillespie	Present (tele.)
15	Ms.	Rachel	Hersh	Present
16	Dr.	Alan	Johnson	Present
17	Mr.	Dan	Lanahan	Present
18	Mr.	Dan	Libarle	Absent
19	Dr.	Wallace	Lowry	Present
20	Dr.	Andrea	Neves	Absent
21	Ms.	Delphine	Newman	Present
22	Dr.	Eduardo	Ochoa	Present
23	Mr.	Randy	Pennington	Present
24	Mr.	Jim	Perez	Absent
25	Dr.	Saeid	Rahimi	Present
26	Ms.	Beth	Robertson	Present
27	Mr.	Irwin S.	Rothenberg	Absent
28	Dr.	Robert	Schultz	Present
29	Mr.	Michael	Sullivan	Present
30	Dr.	Liz	Thach	Present
31	Mr.	Michael	Troy	Absent



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Members Present	22	
Members Absent	9	
Board Quorum	13	<i>Article II, Section 1(a), Bylaws</i>

Staff/Guests Present:

Ms. Robin Draper – *Associate Vice President for Development, SSU*

Mr. William Ingels – *University Treasurer, SSU*

Mr. Ian Hannah – *Management Trainee - Administrative Services and  
Foundation Operations, SSU*

Mr. Jeff Wilson – *Senior Accountant - Endowment & Foundation  
Accounting, SSU*

Ms. Laurie Ogg – *Scholarship Coordinator, SSU*