



SONOMA STATE UNIVERSITY Academic Foundation, Inc.

Board of Director's Meeting

MINUTES – June 13, 2008

- I. Call to order. Dr. Armiñana was absent. Patricia McNeill determined that a quorum was present and opened the meeting.
(Refer to Record of Attendance for June 13, 2008)

- ❖ Approval of the April 4, 2008 Board Minutes
 - Approved unanimously.

II. Campus Updates

(See June 13, 2008 Agenda packet for these documents)

McNeill provided the following campus updates:

- ❖ Commencement took place on May 24th at SSU. Approximately 2,100 students were eligible to graduate. Unfortunately, rainy weather caused for a shortened morning ceremony. Dr. Ruben “Hurricane” Carter was the keynote speaker.
- ❖ Following the Academic Senate’s Vote of No Confidence in President Armiñana, the University Cabinet met to determine how to address some of the concerns raised. One idea that has moved forward is that of on-going Campus Forum presentations, which were made throughout the Spring semester on topics such as the WASC Review, the Campus Strategic Plan, and the Budget. The President has also been scheduling luncheons with various faculty members.

Larry Schlereth provided the following campus updates:

- ❖ The campus continues to have a high volume of construction activity either underway or soon to begin. Multiple posters were displayed and described related to three large scale projects currently in progress: Tuscany Village, University Center, and Green Music Center.
 - Tuscany Village will provide on-campus housing accommodations for nearly 700 additional students; bringing the total number of student residences to around 3,100.
 - University Center is an approximately \$65M project and will be paid for from student fees and revenue generated primarily from student activities. The Recreation Center, built in 2004, will be a key component of the University Center. Additionally the University Center will house such entities as: the bookstore, food services,



SONOMA STATE UNIVERSITY Academic Foundation, Inc.

Board of Director's Meeting

- administrative space, a conference center, and student life organizations/clubs.
- Green Music Center is now an approximately \$120M project. The GMC includes a restaurant as well as a patio with a surrounding trellis. The restaurant and patio will each accommodate over 150 people.
 - The lawn located at the site of the GMC is being referred to as the North Campus Quadrangle. The design and costs associated with this space have not yet been determined.
- All of these projects are scheduled to open in Fall 2010.
- Liz Thach asked what would become of the old University Commons given the University Center. Schlereth indicated that a committee would be forming to analyze the future of the Commons and the Student Union building. The Bookstore is a temporary building and thus will be torn down.
- ❖ Schlereth provided an update on the status of the 2008/09 Operating Budget for the campus.
 - A document was provided which outlined the difference between the January and May revisions of the State Budget. Overall, the May revision results in a relatively modest reduction to SSU of approximately \$1.2M, compared to the previous approximately \$3.4M impact of the January revision. Both revisions factor in a 10% Student Fee increase, which was voted in by the CSU Board of Trustees in May.

III. Vice President for University Development's Report

(See June 13, 2008 Agenda packet for these documents)

Osher Re-entry Scholarship Grant

McNeill invited Laurie Ogg, SSU Scholarship Coordinator, to describe details of the Osher Re-entry Scholarship Grant. This is a program for re-entry students to SSU. Commonly these consist of non-traditional aged students who had to put a hold on plans to complete a degree at SSU. The program is unique in that it consists of satellite campuses, online courses, and is flexible to a working adult's schedule. Many of these students do not qualify for grant money as many work full time and thus are ineligible. Andrea Neves asked about the criteria for this program. Ogg replied that generally the student has to be out of college for a minimum of five years before returning to the University.



SONOMA STATE UNIVERSITY Academic Foundation, Inc.

Board of Director's Meeting

Development Report as of 3/31/08

McNeill announced a \$2.5M anonymous challenge gift for the GMC. A recent advertisement in the Press Democrat was successful in bringing interest to new donors and individuals not previously interested in the project. Dan Lanahan added that the ad dramatically increased traffic on the GMC website. Bressick suggested printing ads in additional papers. Lanahan responded that the ads hold a cost of \$5,000-\$10,000 and the first piece was sponsored. If more sponsors were to come forward, additional ads could be placed. He added that the Finale Campaign is currently focusing on large donations from corporations and foundations. McNeill added that her staff is also focused on large gifts.

A document was provided and reviewed by McNeill which summarized the gifts to the University between 2006/07 and 2007/08 (Q1 – Q3 comparison). SSU has shown a considerable increase in gift commitments during this period from \$5M to \$10M.

McNeill stated that the Development office and the University have focused a great deal on the GMC but she would like to highlight other important gifts to the campus. It is also important to put a structure in place for a campaign supporting the entire University. In looking into what a comprehensive campaign could fund, McNeill shared the various types of needs of the Deans on the campus. She added that she will attempt to find more ways to involve the Board in fundraising and receive input from members on how the Board is functioning.

McNeill also announced that an annual giving letter would be mailed out to alumni from a SSU first generation student. Thach asked if students were currently being hired to call alumni for annual giving as she has found this practice to be particularly effective. McNeill responded that a phone bank has not been set up but there is an intention to move in this direction. SFSU utilizes a firm to train and manage their phone bank and uses students to call alumni. SSU is hoping to receive an advancement grant to collaborate with other CSU campuses on a phone bank system.



SONOMA STATE UNIVERSITY Academic Foundation, Inc.

Board of Director's Meeting

IV. Chief Operating Officer's Report

(See June 13, 2008 Agenda packet for these documents)

Schlereth referenced a letter provided in the packet which summarized the 2006/07 audit observations and the solutions achieved to meet the auditor's expectations. The letter has been copied to Larry Mandel, University Auditor for the CSU system as required of CSU auxiliary organizations.

V. Chief Financial Officer's Report

(See June 13, 2008 Agenda packet for these documents)

Coate discussed the financial activity of the Foundation as of 3/31/08 in the form of a Statement of Revenues, Expenses and Changes in Net Assets and a Schedule of Net Assets. As of 3/31/08, the SSUAF had total assets of \$77.5M and total liabilities of \$17.6M, for a total net assets value of \$59.9M. The full audit report will include notes and a management letter in addition to the reports presented.

Total assets decreased by almost \$10M between 6/30/07 and 3/31/08. This is primarily due to the transfer of assets related to the GMC to the University for the purpose of funding the construction project. At this point all CSU funds and bond funds associated with the GMC have been expended and now donor funds are being used.

Bressick asked how much in additional funding is required to finalize construction on the project. Schlereth stated that funding has been secured to cover the initial construction contract. A new contract will now start to finish the Hospitality Center. All other items still unfunded equal close to \$20M and as funding is received change orders will be issued through procurement on the construction agreement. Lanahan indicated that when the Finale Campaign began over one year ago, the target was to raise \$22M. This amount has since grown to \$32M. However, the Campaign has been successful in raising close to \$14M locally during this period.



SONOMA STATE UNIVERSITY Academic Foundation, Inc.

Board of Director's Meeting

VI. Action Items

(See June 13, 2008 Agenda packet for these documents)

Coate discussed the proposed 2008/09 endowment earnings distribution as unanimously approved and recommended by the Finance Committee. A document was referenced which showed the annual actual pooled endowment distributions since 2005/06. The dollar amount distributed over this period has been increasing year over year. The proposed distribution for 2008/09 of \$1,144,258 represents a 3.6% distribution of the 12/31/07 market valuation of the unitized pool. In addition, distributions for 08/09 related to the Johnson gift were approved in the amounts of \$30,116 to support the Galbreath Observatory and \$2,151 for the SSU Rowing Club.

Motion: Approval of the 2008/09 Endowment Earnings Distribution.

Action: Unanimously approved the distribution of \$1,144,258 for 2008/09.

VII. New Business

Christmas asked if an update could be provided on the status of the Larry Moore Trust litigation. Coate stated that the Trustees of the Moore Trust have appealed the decision of the judge and the charity agreement and the case is now in the appellate court. The process remains on-going. We are working to minimize the associated legal costs to the Foundation.

McNeill thanked Lanahan for his leadership on the GMC Finale Campaign and Lanahan in turn thanked the Development team for their support.

Meeting adjourned at 2:00 p.m.

Letitia Coate
*Secretary/Chief Financial Officer,
SSUAF*

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



SONOMA STATE UNIVERSITY
Academic Foundation, Inc.

Board of Director's Meeting

Record of Attendance
 June 13, 2008

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

Members Present 14
 Members Absent 16
 Board Quorum 12 *Article II, Section 1(a), Bylaws*



SONOMA STATE UNIVERSITY
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Board of Director's Meeting

Staff/Guests Present:

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

Mr. Bill Ingels – *University Treasurer, SSU*

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

Ms. Laurie Ogg – *Scholarship Coordinator, SSU*

Staff Absent:

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