I. Call to order. President Armiñana determined that a quorum was present and opened the meeting at 12:20 pm.
(Refer to Record of Attendance for September 23, 2011)

- Current Foundation Board and Committee Membership
  - Membership was confirmed.

- Introduction of new board members:
  - Andrew Rogerson - joining as Provost.
  - Rob Eyler, Professor of Economics - joining as faculty representative.
  - Lynn Cominsky, Professor of Physics - joining as faculty representative.
  - Anglin appointed as chair of Compliance Review Committee.

- Approval of the June 10, 2011 Board Minutes:
  - Approval of the minutes was made, seconded and unanimously approved.

II. University President’s Report

Armiñana commented on the importance of the Governor’s recommended budget versus the legislative budget. Both the CSU/UC systems will likely have each of their budgets reduced by $650 M in the 11/12 fiscal year. This translates into roughly a $9 M reduction for SSU. The University has lost approximately 40% of its’ State support, returning to 1997/98 funding levels, while servicing over 1,000 more students. Currently SSU has approximately 8,500 students, with the largest ever freshman class of 1,800. There are approximately ten applications for every seat available. Armiñana remarked that if the state continues to cut funding to higher education, the cost to students will continue to increase as service decreases.
III. Vice President, University Development’s Report
(See September 23, 2011 Agenda packet for this document)

Quarterly Development Report
Greeny reported the fundraising year to be the finest in the University’s history, citing fundraising levels to be their highest since 07/08. Total fundraising in FY 10/11 equaled $14.2 M, $6 M of which is the Weill gift to the GMC. Even without this specific gift, University Development was able to double the amount raised from the previous fiscal year ($3.6 M). The majority of commitments were for capital projects. A breakdown of some additional larger gifts included in this figure:
- $1.7 M - Bequest for scholarships
- $1.3 M - Bequest for Baseball Field
- $1 M - Donated to the School of Business and Economics, including the Frank Howard Allen Research Fellowship awarded to Prof. Rob Eyler
- $440,000 - Bequest for the Dance Program

The Wine Business Institute is thriving under the leadership of Ray Johnson. This is due in part to the requirement that each of the 14 board members donate $10,000 annually.

October 13, 2011 will be the President’s Dinner at GMC Prelude where notable alumni and the honorary degree recipient will be recognized. Greeny also invited board members to the annual Scholarship Event.

To date $2 M has been raised towards the $4 M Weill match. Greeny asked board members to consider a gift towards the match, especially if they had not yet donated. Armiñana commented that the GMC has been garnering international recognition; in early September Yo-Yo Ma played an impromptu performance with Jeffrey Kahane.

IV. Chief Operating Officer’s Report
Schlereth was absent and thus no report was made.
V. Chief Financial Officer’s Report

Item deferred due to time constraints with main items covered under item VII.

VI. CLOSED SESSION
   A. Conference with Legal Counsel – Investment Matters (2)
      (Education Code Section 89923)

The Board entered closed session with Olsan and Bjornstrom for approximately half an hour to discuss investment matters. All guests present were asked to leave the room. Open session resumed following the adjournment of closed session.

VII. Action Items
(See September 23, 2011 Agenda packet for this document)

Approval of Successor Corporate Trustee Recommendation for Charitable Remainder Trusts

Motion: Approval of Recommendation of Exchange Bank as Successor Corporate Trustee for Charitable Remainder Trusts

Action: Unanimously Approved (One abstention by Brown)
Approval of Audited Financial Statements for 2010/11 by AKT LLP

Pennington, Chair of the Audit Committee introduced Andy Maffia, Senior Audit Manager and Bobby LaCour, Audit Manager from AKT, LLP. Maffia noted several points of importance that were included on the Executive Summary of the Audit Report:

- Completed Work of Engagement Letter
- Rendered unqualified opinion of financial statements (highest level of assurance)
- Not conditions identified as material weaknesses in internal controls
- No significant deficiencies
- Risk areas were resolved to AKT’s satisfaction
- Received full cooperation of management and staff

LaCour reviewed the letter to the Board, explaining that there were no difficulties in performing the audit. Two suggested areas of improvement were found relating to internal controls in the areas of pledges receivables, and the timing of recording contributions. A trend and ratio analysis was provided to see the change in net assets over the last few years and investments returns were shown to be comparable to industry benchmarks.

A copy of the financial statements was provided to each member.

A motion was made, seconded and unanimously approved to approve the 2010/11 Audit Report and Audited Financial Statements.

Coate thanked the Audit Committee and accounting staff for their efforts.

**Motion:** Approval of 2010/11 SSUAF Audited Financial Statements

**Action:** Unanimously Approved
Approval of 2011/12 SSUAF General Fund Budget
Coate explained that the proposed 11/12 SSUAF General Fund Budget is coming forward as a recommendation from the Finance Committee. An assessment to endowment earnings is traditionally the primary fund source for operating costs; however, last year and the year prior other sources were used as a result of the market downturn. The proposal is to revert back to endowment earnings revenue to cover operating expenses in the 11/12 Budget. Audit costs are expected to see a significant reduction under the new audit firm. Various fund transfers to the University from the Foundation fulfill CSU requirements, related to Executive Order 1000, that auxiliaries reimburse the University for incurred costs.

A motion was made, seconded and unanimously approved to accept the 2011/12 SSUAF General Fund Budget as presented.

Motion: Approval of 2011/12 SSUAF General Fund Budget

Action: Unanimously Approved

VIII. New Business

None.

Meeting adjourned by Armiñana at 2:10pm.

Letitia Coate

Minutes Approved by:
Letitia Coate
Chief Financial Officer, SSUAF

Minutes Prepared by:
Ian Hannah
Acting University Treasurer, SSU
## Record of Attendance
### September 23, 2011

<table>
<thead>
<tr>
<th>First</th>
<th>Last</th>
<th>In Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Dr.</td>
<td>Ruben Armiñana</td>
<td>Present</td>
</tr>
<tr>
<td>2 Ms.</td>
<td>Patricia McNeill</td>
<td>Absent</td>
</tr>
<tr>
<td>3 Mr.</td>
<td>Laurence Furukawa-Schlereth</td>
<td>Absent</td>
</tr>
<tr>
<td>4 Ms.</td>
<td>Letitia Coate</td>
<td>Present</td>
</tr>
<tr>
<td>5 Ms.</td>
<td>Jeannette Anglin</td>
<td>Absent</td>
</tr>
<tr>
<td>6 Mr.</td>
<td>Herm Benedetti</td>
<td>Present</td>
</tr>
<tr>
<td>7 Mr.</td>
<td>Alex Boyar</td>
<td>Present</td>
</tr>
<tr>
<td>8 Mr.</td>
<td>Sanford Bressick</td>
<td>Present</td>
</tr>
<tr>
<td>9 Mr.</td>
<td>Sam Brown</td>
<td>Present</td>
</tr>
<tr>
<td>10 Dr.</td>
<td>Barbara Butler</td>
<td>Present</td>
</tr>
<tr>
<td>11 Dr.</td>
<td>Jean Bee Chan</td>
<td>Absent</td>
</tr>
<tr>
<td>12 Ms.</td>
<td>Anita Christmas</td>
<td>Absent</td>
</tr>
<tr>
<td>13 Dr.</td>
<td>Lynn Cominsky</td>
<td>Present (tele.)</td>
</tr>
<tr>
<td>14 Mr.</td>
<td>Dan Condron</td>
<td>Present</td>
</tr>
<tr>
<td>15 Dr.</td>
<td>Robert Eyler</td>
<td>Present</td>
</tr>
<tr>
<td>16 Dr.</td>
<td>Carmen Finley</td>
<td>Present</td>
</tr>
<tr>
<td>17 Mr.</td>
<td>Tom Gillespie</td>
<td>Present (tele.)</td>
</tr>
<tr>
<td>18 Mr.</td>
<td>Dan Lanahan</td>
<td>Absent</td>
</tr>
<tr>
<td>19 Mr.</td>
<td>Dan Libarle</td>
<td>Absent</td>
</tr>
<tr>
<td>20 Dr.</td>
<td>Wallace Lowry</td>
<td>Absent</td>
</tr>
<tr>
<td>21 Mr.</td>
<td>Mike Marovich</td>
<td>Absent</td>
</tr>
<tr>
<td>22 Dr.</td>
<td>Andrea Neves</td>
<td>Absent</td>
</tr>
<tr>
<td>23 Ms.</td>
<td>Delphine Newman</td>
<td>Present</td>
</tr>
<tr>
<td>24 Mr.</td>
<td>Randy Pennington</td>
<td>Present</td>
</tr>
<tr>
<td>25 Ms.</td>
<td>Beth Robertson</td>
<td>Absent</td>
</tr>
<tr>
<td>26 Dr.</td>
<td>Andrew Rogerson</td>
<td>Present</td>
</tr>
<tr>
<td>27 Mr.</td>
<td>Irwin S. Rothenberg</td>
<td>Absent</td>
</tr>
<tr>
<td>28 Dr.</td>
<td>Robert Schultz</td>
<td>Absent</td>
</tr>
<tr>
<td>29 Dr.</td>
<td>William Silver</td>
<td>Absent</td>
</tr>
<tr>
<td>30 Mr.</td>
<td>Michael Sullivan</td>
<td>Present</td>
</tr>
<tr>
<td>31 Mr.</td>
<td>Michael Troy</td>
<td>Present</td>
</tr>
<tr>
<td>32 Mr.</td>
<td>Collin Yballa</td>
<td>Present</td>
</tr>
</tbody>
</table>
Members Present: 18
Members Absent: 14
Board Quorum: 13  Article II, Section 1(a), Bylaws

Staff/Guests Present:
Mr. Erik Greeny – Associate Vice President for Development, SSU
Ms. Amanda Visser – Deputy Controller for Auxiliaries, SSU
Mr. Ian Hannah – Acting University Treasurer, SSU
Mr. Jeremy Olsen (tele.) – SSUAF Counsel
Mr. David Bjornstrom – SSUAF Counsel
Mr. Andrew Maffia – Senior Audit Manager, AKT LLP
Mr. Robert LaCour – Audit Manager, AKT
Ms. Gale Brownell – Member of OLLI Budget/Finance Committee
Ms. Katie Robinson – Project Assistant, Administration & Finance, SSU