



SACRAMENTO
STATE

The University Foundation
at Sacramento State

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**The University Foundation at Sacramento State
Board of Directors Meeting**

Wednesday, June 22, 2022 | 12:00 – 2:30 p.m.
Harper Alumni Center or Zoom

Members Present:

Robert S. Nelsen, *CSUS President*
Tina Treis, *Board Chair*
Bernice Bass de Martinez, *Chair, Governance Committee*
Ron Brown, *Alumni Association Representative*
Lisa Cardoza, *Executive Officer*
Vanessa Guerra
David Lopez
Sue McGinty, *Board Secretary*
Salma Pacheco, *Student Representative*
Alice Perez
Pam Stewart, *Past Board Chair*
Scott Syphax
Holly Tiche, *Board Vice Chair*

Advancement Staff:

Tatiana Azad
Amanda Lewis

Members Absent:

Christine Ault
Margot Bach
David Bugatto
Jonathan Bowman
Sonney Chong
Mark Drobny
Paul Lau, *Chair, Finance Committee*
Garry Maisel
Bud Travers

Guests:

Brian Dombkowski, *Sand Hill Global Advisors*
Meghan DeGroot, *Sand Hill Global Advisors*
Sarah Billingsley, *President's Office*
Jennifer Barber, *Alumni Relations*
Tracy Newman, *University Development*
Sharon Takeda, *Annual Giving*
Antoinette Vojtech, *Principal Gifts & Campaign*
Lisa Woodard-Mink, *Advancement Services*

MEETING MINUTES

1. Board Chair Treis called the meeting to order at 12:30 p.m. (Bass de Martinez/Bugatto).
2. The Board approved a motion made by Treis to amend the agenda to include the fossil fuel discussion as a part of the board meeting, instead of the retreat, and remove the ratification of the proposed officer slate from the consent calendar and move it under the Executive Committee report (Tiche, Syphax).
3. There were no public comments.
4. The Board approved the consent calendar as amended, consisting of the February 18, 2022 Board meeting minutes, ratification of UFSS Board member reappointments, and ratification of new UFSS board members (Lora Anguay, David Covin, Lee Ritchey) (Treis, Tiche).
5. President Nelsen presented the President's Report.

- a. A budget update was provided.
 - i. The Governor has increased the budget by 5 percent, but this increase will only cover faculty salary raises. This State budget is very different this year, with more of the budget going to one-time funding than we have seen in the past.
 - ii. Employees have not had a raise in 3 years. Nelsen's plan is to find a way to fund staff raises. This makes it difficult for divisions to receive funds allocated to projects they hope to take on, such as University Advancement's CRM.
 - iii. There was a salary study conducted for staff, and there are plans to do a faculty salary study in the next year. Currently, we have in-range progression.. The legislature conducted the study and it was anticipated that they would fund the recommendations from the study, but that did not happen.
 - iv. We have until July 15th to learn what the Governor and legislators' final decisions will be. The UC is similarly impacted although they have a different system as they are a sovereign entity, and we are a state entity.
 - b. An enrollment update was provided. We will have about 600 more students this upcoming year.
 - c. Nelsen recently attended an event where he shared the impact Sacramento State has on our Sacramento community. He shared some of the highlights with the Board including our economic impact, enrollment rates, graduation rates, equity gaps, diversity rates, increased number of resources and improvements across campus, and athletics statistics.
6. VP Cardoza provided the Advancement and Comprehensive Campaign updates.
- a. As of June 15th, University Advancement has raised \$19.7M or 99 percent of our CSU philanthropic goal for the year (10 percent of the State budget). We predict we will exceed goal. As of June 15th we have raised \$235.2M out of our \$225M campaign goal.
 - b. Thank you to everyone who attended the campaign celebrations in April and supported during Give Sac State Day (GSSD). GSSD raised over \$316K in 1180 gifts during the 36 hours.
 - c. Soon, our current CRM (constituent relationship management tool or donor database) will stop being updated, so we need a request for proposals (RFP) for a new CRM. We anticipate an 18-24 month software conversion. There is urgency for this updated database, and it was shared during the budget presentation. We have had a consultant come in to assist us with a gap analysis, so University Advancement and IRT are ready once we have the funding.
 - d. We were selected for an audit on endowment management through the Chancellor's Office. The three observations that came from this that we need to respond to be October are below.

- ii. The Board members who have been approved and ratified through the consent calendar joined the meeting and were introduced informally.
 - iii. The Governance Committee discussed the need for a committee vice chair role.
 - d. Perez provided an update on the Audit Committee.
 - i. There will be more information about the audits coming along as the audits progress.
 - ii. K-COE will no longer be servicing nonprofits, so Sac State will need to engage in an RFP process which will not start until the fall.
 - e. Treis provided the Executive Committee update.
 - i. Treis presented the Dashboard to provide a general fundraising update to Board members.
 - ii. The 2022 Board officer slate was presented.
 1. Holly Tiche, Board Chair, President's Appointee
 2. Alice Perez, Board Vice Chair
 3. Tina Treis, Board Past Chair
 4. Sue McGinty, Board Secretary
 5. Gray Maisel, Board Treasurer
 6. Tina Treis, Audit Committee Chair
 7. Bernice Bass De Martinez, Governance Committee Chair
 - iii. The Board moved to ratify the Slate (Treis, Perez). The motion passed unanimously.
 - f. Brown provided an Alumni Association update.
 - i. Sac State Alumni Association had their last Board meeting in May, led by Dr. Colette Harris-Mathews. Wally Borland will be taking over on July 1st as their new Board chair.
 - ii. The 2022 Distinguished Alumni Awards event (DAA) will be hosted in-person on Thursday, October 14, 2022.
 - iii. Right now they are planning fall activities, including Homecoming which will take place on October 29th. They anticipate continuing to plan virtual events to engage different audiences.
 - iv. The change in their membership program continues to be positive.
 - v. Their fundraising efforts continue to gain traction. There are currently providing 45 scholarships for a total of \$91K.
 - vi. Bookings for the Harper Alumni Center are slow but starting to increase as things come back.
 - g. Pacheco provided the Student Representative update.
 - i. ASI is looking forward to their retreat. They are looking to bring on two new Board members and will start the interview process soon..
 - ii. They have two priorities at this time. One is creating a community of care for our students by bridging the gap between services offered and students

understanding that those resources exist for them. The other is mental health since the student body is in a mental health crisis right now.

- h. Nelsen presented Brown with an award for service to the Board.
 - i. Treis was commended for her leadership of the Board, especially over the period of the pandemic.
 - j. The Board adjourned for a five minute break.
8. Fossil Fuel Divestment Discussion
- a. Sand Hill Global Advisors led a discussion on fossil fuel divestment.
 - i. After being brought forward by the students of the California State Student Association (CSSA) to the Board of Trustees, the CSU system decided in Fall of 2021 to divest from fossil fuels, to ensure the CSUs financial security and honor their goal of sustainability.
 - ii. Students also brought the idea to the UEI. Auxiliaries are not mandated to follow this directive; however, UEI did make changes to their investment language because the students felt passionate about the idea.. This change requires that they consider “investments that support Sacramento State’s mission statement, subject to cost, scalability, access and quality constraints.” They have also agreed that no further fossil fuel investments will be made, and all current investments will be divested within two to three years.
 - 1. Even though the Foundation Board does not need to adopt the exact policies as the Chancellor’s office, the Board did want to review our policies.
 - iii. Dombkowski shared the statistics surrounding considerations for divesting from commodities.
 - iv. Sand Hill recommended the changes below to the investment policy statement. They believe these changes will reduce implementation costs, likely reduce standard deviations of return, and achieve the overall mission the board has for their future investments.
 - 1. 2.1(4) Under Goals and Objectives:
“Over time the committee will consider investments that support Sacramento State’s mission statement, subject to cost, availability, access, and quality constraints.”
 - 2. 2.2 (5) Under Investment Guideline:
“UFSS will not pursue future investments in fossil fuels and will divest from current fossil fuel investments (excluding broadly diversified mutual funds and ETFs).”
 - 3. 2.5 (5) Under Prohibited transactions:
“ Any future purchase of fossil fuel investments (excluding broadly diversified mutual funds and ETF’s).”

4. Benchmark and asset allocation would need to change. More specifically, there would be a slight tightening of the equity range from (+/-) 30 percent to (+/-) 20 percent around the target.
- b. After much discussion about Board goals and communication of these efforts, the Board moved to make the proposed updates to the investments policy statements (Treis, Lopez). The motion passed unanimously.
9. Treis adjourned the meeting at 2:25 p.m.

Action Items:

Item	Action	Status
Endowment Management Audit	Cardoza will send out the public information she can share about this audit.	In Progress
Investment Policy	Make the changes to the investment policy decided on during the meeting.	Complete

The University Foundation at Sacramento State Mission Statement

The University Foundation promotes philanthropy to provide a level of excellence at the University beyond what is possible through state funds.