

A D V A N C E M E N T
FOUNDATION

H U M B O L D T S T A T E U N I V E R S I T Y

**MINUTES
OF THE
EXECUTIVE COMMITTEE**

**August 14, 2013
Corbett Conference Room**

Present:

David Kalb
Heather Bernikoff-Raboy
Ken Davlin
Judy Dvorak
Nick Frank
Joyce Lopes
Rollin Richmond
Craig Wruck

Not present:

Gary Blatnick

Guests:

Mary Kay Hartman

1. Call to order

The meeting was called to order by Committee Chair David Kalb at 2:01 p.m.

2. Visitor comments

There were no visitors present.

3. Approval of Minutes from Oct 5, 2012 meeting

Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Minutes of the Oct 5, 2012 meeting were approved.

4. President's Report

President Richmond thanked the Committee for the leadership they provide and noted that the HSU's Centennial year has just begun. The President said that there are 26 new faculty members who will be teaching in the new Criminal Justice program and new positions in Education. Students start classes on the August 26 but will start arriving next week when they move into the dorms. Princeton Review has listed HSU in the top 10 western universities of our size.

5. Executive Director's Report

Craig Wruck reported the preliminary results for fundraising in fiscal year ending 2013 as \$4.7 million from 7,500 gifts, with \$978,000 from alumni.

The Associated Students have asked to make a presentation on fossil fuel divestment to the Board. Wruck has met with them several times, and Heather Bernikoff-Raboy has met with them as well. They will be on the agenda for the September Board meeting.

The Advancement Foundation owns the building known as "the Annex" on the corner of 14th and B Streets across from the campus. The Annex is partially abandoned and there have been problems with transients entering the building from time to time. In addition several environmental hazards, including mold, asbestos, lead paint, and structural issues have been identified in the building. The University plans to secure the building by boarding up certain doors and windows, fencing certain areas, and placing warning signs. The Foundation, as the property owner, may be required to resolve environmental issues and other liabilities. Joyce Lopes reported that the Foundation was aware of the structural and environmental issues when it purchased the property and that these issues did not result from the subsequent use of the property by the University. The University is updating its master plan and may have use for the property. In the meantime, the prudent course is to secure the building in the interest of safety.

At the President's request, a task force has been convened to review the structure of HSU's four foundations with the goal of ensuring that they are efficiently and transparently operating for HSU's benefit. Nick Frank and Heather Bernikoff-Raboy are serving on the task force for the Advancement Foundation.

The Advancement Foundation is also preparing for a CSU audit of all of HSU's auxiliary foundations. It is not a regular financial audit, but rather a CSU system review of the operations, policies, procedures and workings of the auxiliaries. These audits come approximately every three years. All four HSU foundation entities are undergoing this audit.

After discussion of the Executive Director's report and careful formulation, and upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the Executive Committee request that the University take steps to seal and secure the Annex building on 14th and B Streets, and to implement regularly scheduled inspections for real-time security compliance.

6. Revised HSUAF Budget for FYE 2013

The Finance Committee wrestled at length with the dilemma that certain items had been omitted from the current and prior budgets. The Committee recommended that, in the interest of transparency and clarity, revisions be made to the FYE 2013 budget even though that fiscal year has ended. There are similar omissions in the FYE 2014 Budget, which will be brought forward to the September Board meeting. However, it is important for the purposes of the FYE 2013 audit that the Executive Committee consider amendments to that budget. Upon motion duly made, seconded and unanimously carried, it was

RESOLVED, that the revisions to the Advancement Foundation Budget for fiscal year ending 2013 be approved.

7. Committee Updates

Finance: The Finance Committee discussed the revised Budget for FYE 2014, as well as discussing ways to better understand the process, application and need for policy distinctions on different programs, endowments and the 1.5% administration fee. The Committee has discussed fees in general on incoming gifts and the distinction between endowed and non-endowed fees, and fees placed on scholarship funds. The Committee has also discussed various ways to save money for the Foundation, such as having quarterly conference calls with R V Kuhns to save the cost of their trips to the Finance Committee meetings, and using electronic delivery to save the \$3,000-4,000 expense of reproducing all the paper documents used as support for the various meetings.

Governance: There have been 14 responses so far to the survey. Staff was congratulated on clarifying the roles of the Board members

Development: Each Board member will receive the names of three donors to call to say thank you for contributing in the next week or so. There will be space on the form to record notes from the calls, along with a suggested script or outline. This is a pilot program, but it seems to be working well. The calls are made to a cross-section of people.

Audit: The audit is underway and on time. The Audit Committee will review the audit before acceptance and will have an executive session with the auditors. The full audit will be brought before the Board at the Spring meeting.

The meeting was adjourned at 3:25 p.m.