

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 MEETING**

**December 14, 2017
Nelson Hall West 213**

Present:

Laura Fisher (by phone)
Jenny Harris (by phone)
Alisa Judge (by phone)
Jason Ramos
Duncan Robins
Craig Wruck

Absent:

Gary Blatnick

Guest:

Lisa Rossbacher

A meeting of the Executive Committee of the Humboldt State University Advancement Foundation was held on Thursday, December 14, 2017, at 2:00 P.M., in Room 213 of Nelson Hall West. Committee Chair Jason Ramos presided.

1. Call to order

The meeting was called to order by Committee Chair Jason Ramos at 2:05 P.M.

2. Visitor comments

There were no visitor comments.

3. Acceptance of Minutes of the May 11, 2016 meeting

President Rossbacher noted minor typographical errors in the draft. Upon motion duly made, seconded and unanimously carried, it was:

RESOLVED, that the draft Minutes of the May 11, 2016 meeting, subject to the corrections noted, are accepted.

4. Athletics fund drive

Executive Director Craig Wruck provided background regarding the Athletics boosters' fund drive. He explained some of the factors that led to confusion as to the total amount of money raised. Some of the Athletics boosters were insistent that contributions would need to be refunded in the event that the football program was discontinued. Because the Foundation cannot accept revocable contributions, it was agreed that the Athletics boosters would solicit promises of support which would be converted into cash contributions and binding pledges after a decision regarding football. There was confusion about the planned milestones and deadlines for the fund drive and when collections would commence. The goal was to generate new contributions and increase overall support for Athletics, but the precise definition of a "net new" contribution was not clarified. As a result, there are multiple lists of promises of support, with the tally compiled by the Athletics boosters amounting to approximately \$517,000.

Staff is merging and reconciling the lists into a master list which will be the basis for collection of payments and pledges. The first notices will be sent to supporters before the holiday break. Returns will be monitored and additional payment reminders will be sent as needed. The initial threshold is a minimum of \$500,000 in cash payments by January 31, 2018, but a clear determination of whether or not this is net new money cannot be made until the end of the fiscal year when the results of on-going fundraising activities for Athletics are completed during the rest of the fiscal year.

Duncan Robins explained that, while the Foundation's focus is on charitable contributions, individuals and businesses often provide other support for athletics including underwriting and trade arrangements. Many of these other forms of support are not reflected in the Foundation's receipts, which adds to the difficulty of determining whether or not a specific contribution is net new. The Athletics and Advancement staffs will monitor receipts to identify issues as they arise. President Rossbacher reported that the Office of the Chancellor has offered the services of a members of their staff to help monitor this process and to provide additional assurance to the Athletics boosters.

5. Request to waive 5% Contribution Administration Fee

Two requests have been received to waive the 5% Contribution Administration Fee, one from the Athletics boosters to waive the fee on \$500,000 in anticipated contributions and the other from the Crankstart Foundation which has proposed a contribution of \$50,000 over two years but has a standing prohibition on paying administrative fees from its contributions.

In discussion there was agreement that the Foundation's fee policies should remain unchanged (i.e. 5% on new contributions and 1.5% annually on endowments) because these

fees are the Foundation's primary source of operating revenue to defray the costs of accepting, processing, recording, accounting for, and disbursing charitable funds. There was also consensus that a distinction should be made between contributions from individuals and contributions from an institutional source (foundation, corporation, or government agency) that has a standing policy or requirement prohibiting the payment of fees from its contributions and that exceptions to the policy could be made under such circumstances.

It was noted that the Foundation made such exceptions in the past (i.e. the endowment fee has been waived on two Osher endowments due to the donor's requirements), that the HSU Sponsored Programs Foundation regularly waives its administrative overhead fee if the grantor prohibits such charges, and that the foundations at some other CSU campuses waive their fees for institutional donors who prohibit the payment of fees.

After further discussion of the ramifications and implementation, and upon motion duly made and seconded it was:

RESOLVED that, in the case of a proposed contribution from an institutional donor that has a standing policy or requirement prohibiting the payment of overhead or cost-recovery fees from its contributions, and if staff has first explained the purpose and details of the Foundation's fees and asked the prospective donor to accommodate the Foundation's fees, then the Executive Director is delegated the authority to make an exception to the Foundation's fee policies and allow adjustments the Executive Director determines to be reasonable in order to accept that contribution, and that the Executive Director shall report such exceptions to the Board of Directors.

6. Other Business

There was no other business.

7. Adjournment

The meeting was adjourned at 2:55 P.M.