

CALIFORNIA STATE UNIVERSITY, DOMINGUEZ HILLS FOUNDATION
BOARD OF DIRECTORS MEETING

June 23, 2016
3:00 p.m. – 5:00 p.m.

Executive Conference Room, Welch Hall D-444

Members Present: Dr. Willie Hagan, Robert Fenning, Dr. Ellen Junn, Jeff Poltorak, Dana Ward, Del Huff, Dr. William Franklin, Gil Ivey, Jordan Sylvestre, Phillip D'Amato, and Roger von Ting

Members Absent: David Gamboa, Alan Caldwell, and Dr. Rod Hernandez,

Guests: Naomi Goodwin (President's Office), Susan Sanders (President's Office), Dr. Russel Statham (Foundation), Sarah Vagts (Foundation) Richard Chester (Foundation), and Brandon Martinez (Foundation)

I. Call to Order

Meeting called to order by D'Amato at 3:12 p.m.

II. Approval of the Minutes of Previous Meeting(s)

Huff moved and Hagan seconded. Motion carried.

III. Approval of Meeting Agenda

Hagan moved and Huff seconded. Motion carried.

IV. Public Comment

No one was present to represent the public.

V. Reports

University President's Report

President Hagan stated that the University just held its spring 2016 commencement ceremony, and CSUDH had 4,100 graduates. Hagan stated that the University has received multiple donations from different donors, which has resulted in 4 newly funded Fab Labs. Hagan also mention having an industry cluster forum and that we will be hosting four forums. CSUDH will also be hosting a forum on healthcare in Southern California. Hagan shared a presentation on graduation rates provided by UTEP to give background on the way of determining how graduation rates are measured in the California State University system.

Chair of the Board's Report

D'Amato stated he has had a productive couple of months on the committees that he serves on and a lot of that work will be brought forward to the Board in the coming months.

Executive Director's Report

Fenning stated that we will be electing a new community director to our Board and that we are currently in the process of interviewing and looking for new Board members to fill the Board. He also stated that we have launched the search for the Executive Director position for the Foundation. Fenning stated work has started for the new Center for Science and Innovation. Fenning stated that the building has been approved but not fully funded.

Chief Financial Officer's Report

Statham presented to the Board the consolidated statement of operations for May 31, 2016 and the Graystone Long Term Fund Monthly Report.

Executive Committee

Statham stated that the Executive Committee met on May 26, 2016. Statham stated that the topics of discussion were the budget and benefit changes, as well as the search for community Board members.

Finance and Human Resources Committee

Statham stated that the Finance and Human Resources Committee met on June 14, 2016 and reviewed and finalized the operating budget that is presented here today for approval. Statham also stated that the committee will be presenting some resolutions to make changes related to affordable health care for the Foundation.

Nominating Committee

Statham stated that the nominating committee has met and will be recommending 3 resolutions today for the Board's approval.

VI. Consent Agenda

1. Statement of Operations as of March 31, 2016

The Board accepted the statement of operations as submitted with no discussion.

2. Investment Report as of March 31, 2016

The Board accepted the investment report as submitted with no discussion.

VII. Informational Items

1. Land Development Update

Fenning shared a presentation on land use strategies.

2. Board of Directors Meeting Dates for FY 2016-17

D'Amato shared the scheduled dates for the Board meetings and committee meetings for the 2016-2017 fiscal year.

VIII. Action Items

1) Resolution FY1516-13: Electing Directors for Renewed Terms

RESOLUTION: FY1516-13

RESOLUTION OF THE BOARD OF DIRECTORS ELECTING DIRECTORS FOR RENEWED TERMS

WHEREAS, Article IX, Section 11, of the bylaws of the California State University, Dominguez Hills Foundation (the "Foundation") call for the Nominating Committee to nominate qualified candidates for the Board of Directors for the Foundation; and

WHEREAS, the terms of Directors Alan Caldwell, Phillip D'Amato, Del Huff, and Dana Ward expire on June 30, 2016; and

WHEREAS, the Nominating Committee desires for these Directors to serve on the Board of Directors for an additional term.

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors appoints Alan Caldwell, Phillip D'Amato, Del Huff, and Dana Ward for an additional term as described in the bylaws of the Foundation.

RESOLVED, that the Chief Operating Officer and Chief Financial Officer is directed to take all actions as may be necessary

and proper in connection with the execution and implementation of this resolution.

Junn moved and Huff seconded. Motion carried.

- 2) Resolution FY1516-14: Electing Jerry Groomes to the Board of Directors

RESOLUTION: FY1516-14

**RESOLUTION OF THE BOARD OF DIRECTORS ELECTING
JERRY GROOMES TO THE BOARD**

WHEREAS, Article IX, Section 11, of the bylaws of the California State University, Dominguez Hills Foundation (the “Foundation”) call for the Nominating Committee to nominate qualified candidates for the Board of Directors for the Foundation; and

WHEREAS, the vacancies currently exist on the Board of Directors of the Foundation; and

WHEREAS, the Nominating Committee desires for to fill one of these vacancies with Jerry Groomes.

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors appoints Jerry Groomes to a term as described in the bylaws of the Foundation.

RESOLVED, that the Chief Operating Officer and Chief Financial Officer is directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Sylvestre moved and Franklin seconded. Motion carried.

- 3) Resolution FY1516-15: Electing Officers of the Foundation

RESOLUTION: FY1516-15

**RESOLUTION OF THE BOARD OF DIRECTORS ELECTING
OFFICERS OF THE FOUNDATION**

WHEREAS, Article IX, Section 11, of the bylaws of the California State University, Dominguez Hills Foundation (the “Foundation”) call for the Nominating Committee to annually recommend a slate of officers for the Foundation; and

WHEREAS, the Nominating Committee has met and considered nominations for the positions of Chair, Vice Chair, and Secretary-Treasurer of the Board of Directors; and

WHEREAS, the Nominating Committee recommends the election of Phillip D’Amato as Chair and Roger von Ting as Vice Chair for the 2016-17 fiscal year.

**THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT
IS RESOLVED AS FOLLOWS:**

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors hereby elects Phillip D’Amato as Chair and Roger von Ting as Vice Chair for the 2016-17 fiscal year as recommended by the Nominating Committee.

RESOLVED, that the Chief Operating Officer and Chief Financial Officer is directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Junn moved and Sylvestre seconded. Motion carried.

- 4) Resolution FY1516-16: Approving the Operating Budget and Reserves Projections

RESOLUTION: FY1516-16

**RESOLUTION OF THE BOARD OF DIRECTORS
APPROVING THE OPERATING BUDGET AND RESERVE
PROJECTION FOR FY2016-17**

WHEREAS, the California State University, Dominguez Hills Foundation (the “Foundation”) is a recognized auxiliary organization of The California State University (the “University”) incorporated as a 501(c)3 non-profit public benefit corporation in April 1968; and

WHEREAS, as an auxiliary organization, the Foundation is required to review and approve an annual budget and reserves projection for submission to the campus president; and

WHEREAS, the Foundation has developed its budget and reserves projection for FY 2016-17 and the Finance and Human Resources Committee and the Board of Directors has been presented with and reviewed said budget.

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors adopts and approves the FY 2016-17 Operating Budget and Reserves Projection as presented; and

RESOLVED, that the Director of Business and Finance/Chief Financial Officer is directed to submit the budget and reserves projection to the University President in accordance with campus policy, and to take any and all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Sylvestre moved and Huff seconded. Motion carried.

- 5) Resolution FY1516-17: Authorizing FY2016-17 Discretionary Cost of Living Adjustment (COLA) Program

RESOLUTION: FY1516-17

**RESOLUTION OF THE BOARD OF DIRECTORS
AUTHORIZING 2016-17 DISCRETIONARY COST OF LIVING
ADJUSTMENT PROGRAM**

WHEREAS, the California State University, Dominguez Hills Foundation (the “Foundation”) is a recognized auxiliary

organization of The California State University (the “University”) incorporated as a 501(c)3 non-profit public benefit corporation in April 1968; and

WHEREAS, as an auxiliary organization, California Education Code 89900(c) requires that the Foundation “provide salaries, working conditions, and benefits for the full-time employees of each auxiliary organization that are comparable to those provided California State University employees performing similar services”; and

WHEREAS, labor negotiations with the various collectively-bargained employee groups of the University has resulted in cost of living adjustments (COLAs) for each of the employee groups of the University; and

WHEREAS, the Foundation wishes to maintain its compensation program in a manner competitive with the University and in compliance with Education Code 89900(c).

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors authorizes the creation of a 2016-17 discretionary cost of living adjustment (COLA) program in an amount of up to 3% per employee; and

RESOLVED, that in authorizing the 2015-16 discretionary cost of living adjustment (COLA) program, the Board of Directors requires that implementation of such increases are subject to a) budgetary availability of funds and b) management approval; and

RESOLVED, that the Chief Operating Officer/Chief Financial Officer is directed to undertake all efforts required to create the 2016-17 discretionary COLA program and to develop the administrative regulations and policy provisions applicable to its operation, as well as to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

RESOLVED, that the Chief Operating Officer/Chief Financial Officer shall develop a proposal for performance-linked compensation incentive programs for consideration by the Finance and Human Resources Committee for FY 2017-18.

Huff moved and Junn seconded. Motion carried.

- 6) Resolution FY1516-18: Electing to Cease to Be Subject to the Public Employees' Medical and Hospital Act (PERS)

RESOLUTION: FY1516-18

ELECTING TO CEASE TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

WHEREAS, Government Code Section 22938 provides that a contracting agency which has elected to be subject to the Public Employees' Medical and Hospital Care Act (the "Act") may cease to be so subject by proper application by the contracting agency; and

WHEREAS, California State University, Dominguez Hills Foundation (PERS) is a contracting agency under Government Code Section 22920 and subject to the Act; now, therefore be it

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, California State University, Dominguez Hills Foundation elects to cease to be subject to the Act; and be it further **RESOLVED**, that coverage under the Act cease on January 1, 2017.

Ward moved and Sylvestre seconded. Motion carried.

- 7) Resolution FY1516-19: Electing to Cease to Be Subject to the Public Employees' Medical and Hospital Act (Non-PERS)

RESOLUTION NO. 1516-19

ELECTING TO CEASE TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT

WHEREAS, Government Code Section 22938 provides that a contracting agency which has elected to be subject to the Public Employees' Medical and Hospital Care Act (the

“Act”) may cease to be so subject by proper application by the contracting agency; and

WHEREAS, California State University, Dominguez Hills Foundation (Non-PERS) is a contracting agency under Government Code Section 22920 and subject to the Act; now, therefore be it

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, California State University, Dominguez Hills Foundation elects to cease to be subject to the Act; and be it further

RESOLVED, that coverage under the Act cease on January 1, 2017.

Junn moved and Franklin seconded. Motion carried.

- 8) Resolution FY1516-20: Authorizing Management to Negotiate Employee Health Plans Through An Independent Broker

RESOLUTION: FY1516-20

**RESOLUTION OF THE BOARD OF DIRECTORS
AUTHORIZING MANAGEMENT TO NEGOTIATE
EMPLOYEE HEALTH PLANS THROUGH AN INDEPENDENT
BROKER**

WHEREAS, the California State University, Dominguez Hills Foundation (“Foundation”) offers health benefits to employees in the “Full-time, Regular Benefited,” “Management Services Plan,” and “Full-time, Partially Benefited” employee classifications; and

WHEREAS, the Foundation has a contract with CalPERS for health insurance and Foundation employees must select from the insurance plans that CalPERS makes available each calendar year; and

WHEREAS, the Board sets the employer contribution rate each fall after CalPERS releases the premium rates for each insurance plan; and

WHEREAS, the Board is terminating its contract with CalPERS and the Foundation will need to negotiate health plan options and rates independently; and

WHEREAS, Foundation management wishes to seek approval from the Board to engage in the process of negotiating Foundation employee health plans for calendar year 2017 through an independent insurance broker, with final plans and rates subject to board approval.

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors of the Foundation authorizes management to negotiate Foundation employee health plans through an independent broker, subject to final board approval; and

RESOLVED, that the Chief Operating Officer/Chief Financial Officer is hereby authorized to take any and all other action(s) necessary and appropriate for the effectuation of this resolution.

Ward moved and Huff seconded. Motion carried.

- 9) Resolution FY1516-21: Adopting the Foundation Post-Retirement Medical Benefit Policy

RESOLUTION: FY1516-21

RESOLUTION OF THE BOARD OF DIRECTORS ADOPTING THE FOUNDATION POST-RETIREMENT MEDICAL BENEFIT POLICY

WHEREAS, the California State University, Dominguez Hills Foundation (“Foundation”) offers health benefits to active employees in the “Full-time, Regular Benefited,” “Management Services Plan,” and “Full-time, Partially Benefited” employee classifications; and

WHEREAS, the Foundation offers health benefits to eligible retired employees who met the years of service and age requirements in place at the time of their retirement from the Foundation; and

WHEREAS, the Foundation Board of Directors is responsible for determining the availability of a post-retirement health benefit and eligibility terms and conditions.

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors of the Foundation hereby adopts the Foundation Post-Retirement Health Benefits Policy; and

RESOLVED, that the Chief Operating Officer/Chief Financial Officer is hereby authorized to take any and all other action(s) necessary and appropriate for the effectuation of this resolution.

Huff moved and Hagan seconded. Motion carried.

- 10) Resolution FY1516-22: Adopting the Foundation Post-Retirement Health Accrual Policy

RESOLUTION: FY1516-22

RESOLUTION OF THE BOARD OF DIRECTORS ADOPTING THE FOUNDATION POST-RETIREMENT HEALTH ACCRUAL POLICY

WHEREAS, the California State University, Dominguez Hills Foundation (“Foundation”) must account for its post-retirement health accrual as required under GASB 45; and

WHEREAS, the Foundation must charge all accounts that have employees eligible to receive post-retirement benefits in order to recover and fund this expense; and

WHEREAS, the Foundation has developed the Post-Retirement Health Accrual Policy to guide this process.

THEREFORE, IN CONSIDERATION OF THE FOREGOING, IT IS RESOLVED AS FOLLOWS:

RESOLVED, that the Board of Directors of the Foundation recognizes the above recitals as true and correct and adopts them as findings of fact; and

RESOLVED, that the Board of Directors of the Foundation hereby adopts the Foundation Post-Retirement Health Accrual Policy; and

RESOLVED, that the Chief Operating Officer/Chief Financial Officer is hereby authorized to take any and all other action(s) necessary and appropriate for the effectuation of this resolution.

Sylvestre moved and Hagan seconded. Motion carried.

IX. Other Items

No other items were presented.

X. Adjournment

Meeting adjourned at 5:12 p.m.