



Thursday, June 20, 2019
3:00 PM to 5:00 PM
Executive Conference Room, Welch Hall D-444

Board of Directors Meeting Minutes

Members Present: Dr. Cornelia Brentano, David Donell, Dr. Leena Furtado, David Gamboa, Jerome Groomes, Del Huff, Gilbert Ivey, Christian Jackson, Dr. Michael Spagna, Carrie Stewart, Dana Ward, and Roger von Ting

Members Absent: Dr. Thomas Parham, Alan Caldwell, Dr. William Franklin, and Naomi Goodwin

Guests: Richard Chester (Associate Executive Director Foundation), Amanda Dodd (Director Human Resources & Payroll), Brian Lundeen (Grobstein Teeple), Tony Little (EA to President) and Jinna Matzen (Manager Business Process Improvement)

I. Call to Order

Meeting called to order by von Ting at 3:05 P.M.

II. Approval of Meeting Agenda

Huff moved and Furtado seconded. Motion carried.

III. Approval of March 28, 2019 Meeting Minutes

Ward moved and Jackson seconded. Motion carried.

IV. Public Comment

No one was present to represent the public.

V. Reports

University President

President not in attendance. No report.

VI. Officer's Reports

Chair of the Board

von Ting opened his report by providing the Foundation Board with an update on staffing. von Ting informed the Board that two candidates for the Executive Director position were brought on campus to interview, and that a decision was made to not move forward with either candidate. von Ting further disclosed that the Executive Director Search Committee was planning to interview more candidates over the next couple of weeks, further stating that five candidates that were a part of the initial pool and not considered at the time were now being reconsidered. von Ting continued with his staffing update divulging that interviews for the Foundation CFO position were scheduled for the week of July 8th, 2019 and that Tracy Gray, a member of the Philanthropic Foundation Board, was serving on the CFO Search Committee to represent Philanthropic Foundation's interests. von Ting communicated to the Board that it was the intention of the Executive Committee to wait on hiring a CFO until a permanent Executive Director was hired, but due to the delay in filling the ED position, a decision was made to move forward with the recruitment of a CFO. von Ting went on to detail strides made in staffing of other vacant positions noting that an accountant was recently hired, and an I.T Director was recently brought on, and financial consultants, Grobstein and Teeple were expected to stay on for six months. von Ting ended his report on staffing disclosing that both he and Vice-Chair David Donell personally interviewed the I.T Director to ensure she possesses the capability to manage sophisticated I.T Systems and possesses the ability to create reports.

VII. Committee Reports

Executive Committee

von Ting opened his Executive Committee report discussing projects currently being reviewed by the committee including, consideration to hire consultants to review Board and Foundation operations. von Ting noted that this initiative may be placed on hold until a permanent Executive Director is hired to allow this individual to have input on Board evolution. von Ting continued his report by updating the Board on the Investment Advisor RFP noting that the final proposed RFP was going to be reviewed by the committee at their next scheduled meeting, the committee's intent was to authorize staff to move forward. von Ting transitioned his report discussing the committee's review of Foundation's financials. Von Ting communicated to the Board that the committee sanctioned investment of funds held in the operational account to be invested in a short-term investments, and that Executive Committee was reviewing items such as keeping a positive balance for Foundation in comingled fund accounts, separating physical accounts, and determining how much of each auxiliaries funds would be invested in the short-term account. The Board accepted this information. von Ting then discussed the extension of the Interim Executive Director appointment detailing

that the agreement had been changed to include a GSI increase and a month to month appointment. von Ting further noted that a resolution to continue the appointment of Jerry Groomes was included in today's agenda under Action Items. von Ting informed the Board that at the end of Groomes' assignment, when a permanent ED is hired, Groomes would return to his Board position. von Ting continued his report discussing the current vacancies on the Board and urging members to let the Board know of individuals who possess legal, P3, Development, Dining and Food service experience and are interested in joining the Board. von Ting closed his report by giving a brief overview of other Executive Committee objectives, Reserve Policy, Endowment Earnings, correcting bank reconciliations, Philanthropic Foundation pass through, and ensuring staff reconciles on a day to day basis.

VIII. Financial Reports

Investment Review as of April 30, 2019

von Ting briefly went over the Investment Review documents that were provided to the Board bringing the Board's attention to page 5 which notes a strategic benchmark of 7.61% from 12/31/18 – 5/31/19. The Board accepted this information.

Statement of Operations as of May 31, 2019

von Ting stated the Statement of Operations document provided to the Board covers an eleven month period, further noting that the statement was created by Grobstein Teeple. von Ting went on to describe the details in the Statement of Operations comparing current year to prior year numbers. Von Ting pointed out that the increase in revenue was largely contributed to the sale of the Presidents house and if that number was removed from the statement, Foundation would be running over budget from last year. Von Ting further noted that vacancies in Dining combined with an increase in the EO1000, University chargeback, as contributing factors for the decrease in revenue. Von Ting ended his review of the Statement of Operations disclosing to the Board that Foundation was looking into the increase of EO1000 costs.

von Ting transitioned from the review of the Statement of Operations to discussing the engagement of a consulting firm, Cyberlease, to audit the Stub Hub lease noting that that the audit being conducted was for best business practice and not for punitive purposes, further clarifying that an audit of the lease had never been conducted before. The Board accepted this information engaging in conversation over audit terms, noting that the audit timeframe would cover one pre Charger year, and two Charger years. Conversations transitioned to StubHub parking for Chargers games with von Ting communicating to the Board that Foundation received verbal notice from the University that due to a Chancellor's Office audit, a consideration was being made to move AEG parking revenue from Foundation to Parking Services. The Board discussed designation of parking funds and how the restriction of the funds if moved to Parking Services would affect how the money is used.

IX. Action Items

From Previous Meeting (3.28.19)

1) Resolution FY201819-12: Ratifying Executive Action for Amendment of Resolution: FY1819-9

Ivey moved, Gamboa seconded. Motion carried.

2) Resolution FY201819-13: Ratifying Executive Action for the Appointment of Audit Firm, Clifton Larson Allen (CLA)

Ward moved, Gamboa seconded. Motion carried.

New (6.20.19)

1) Resolution FY201819-14: Resolution to Continue the Appointment of Jerome "Jerry" Groomes as Interim Executive Director of Foundation

Ward moved, Jackson seconded. Motion carried.

2) Resolution FY201819-15: Approving FY2019-20 Board of Directors and Committee Meeting Schedule

The Board engaged in conversation regarding the merger of the Finance Committee into the Executive Committee as many topics were the same creating a meeting redundancy.

Gamboa moved, Ward seconded. Motion carried.

3) Resolution FY201819-16: Authorizing Capital Investment for Dining

The Board engaged in conversation regarding lost licensing fees, re-facing and refreshing of the unit which was stated to include paint, materials, equipment including Starbucks coffee barista model equipment, future possibilities of opening a Starbucks full service model on campus, and a compromise for student demand.

Ward moved, Jackson seconded. Motion carried.

4) Resolution FY201819-17: Approving GSI for FY2019-20

Ivey moved, Furtado seconded. Motion carried.

5) Resolution FY201819-18: Approving Operating Budget for FY2019-20

Von Ting gave a high-level overview of the budget document provided. The Board accepted the document engaging in conversation regarding University distribution, and replacement of future revenue when Chargers leave.

Ivey moved, Jackson seconded. Motion carried

X. Informational Items

No informational items were on the agenda. The Board engaged in conversation regarding open invites for all meetings, continued conversation on Starbucks including extended Library hours, increases in enrollment, food services on campus, where classes and bodies will be, temporary facilities due to high enrollment, pre-engineered buildings, accommodating influx of students, and building community coalitions. von Ting concluded Board conversations reminding all Board members of an invite extended by President Parham for Board members to attend the LAEDC Future Forum in El Segundo on June 26th from nine to eleven am.

XI. Adjournment

Ivey moved to adjourn, Huff seconded. Meeting adjourned at 4:52 P.M.

* All Resolutions passed at the June 20, 2019 meeting are attached in Exhibit A.

Resolution 6.20.19 Exhibit A

RESOLUTION: FY1819-12

**RESOLUTION TO RATIFY ACT OF THE EXECUTIVE COMMITTEE TO AMEND
RESOLUTION FY1819-9: CLOSING LOCAL AGENCY INVESTMENT FUND
(LAIF) ACCOUNT
RESOLUTION OF FOUNDATION BOARD OF DIRECTORS**

**CSUDH FOUNDATION
1000 EAST VICTORIA STREET
SCC202
CARSON, CA 90747**

310.243.3306

<p>AUTHORIZING INVESTMENT OF MONIES IN THE LOCAL AGENCY INVESTMENT FUND</p>
--

WHEREAS, the California State University, Dominguez Hills Foundation (“Foundation”), a nonprofit corporation, through its duly qualified and acting officers or designees, voted at the last Board Meeting, December 06, 2018, to withdraw its contribution and participation in the Local Agency Investment Fund (LAIF) overseen by the State Treasurer’s Office investment staff; and

WHEREAS, a subsequent letter received by the California State Treasurer’s Office outlines the format in which the California State Treasurer’s Office desires the resolution to follow; and

WHEREAS, the requested administrator named on Resolution FY1819-9 to close the LAIF account is not able to do so; and

WHEREAS, this amended resolution FY1819-10 names the appropriate administrators and follows the guidelines set forth for a resolution by the California State Treasurer’s Office; and

WHEREAS, the Local Agency Investment Fund is established in the State Treasury under Government Code section 16429.1 et. seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Foundation Board of Directors hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code section 16429.1 et. seq. for the purpose of investment as provided therein.

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

SECTION 1.

RESOLVED, that the following Foundation officers holding the title(s) specified herein below or their successors in office are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment fund and may execute and deliver any and all documents necessary or advisable to effectuate the purpose of this resolution and the transactions contemplated hereby:

Jerome Groomes
Interim Executive Director

Naomi Goodwin
Vice President Administration and Finance

SECTION 2.

RESOLVED, that this resolution shall remain in full force and effect until rescinded by the Foundation Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office.

PASSED AND ADOPTED, by the Foundation Board of Directors of California State University Dominguez Hills of Carson, Los Angeles County, California on January 17, 2019.

Adopted this 20th day of June 2019.

RESOLUTION FY1819-13

RESOLUTION TO RATIFY ACT OF THE EXECUTIVE COMMITTEE IN THE APPOINTMENT OF AUDIT FIRM FOR ANNUAL FISCAL AUDIT AND INFORMATIONAL TAX FILING PREPARATION SERVICES

WHEREAS, the California State University, Dominguez Hills Foundation is required by its Operating Agreement with the Trustees of the California State University and Title 5 of the California Code of Regulations to undergo an annual fiscal audit and file informational tax filings in order to remain in good standing as a CSU auxiliary organization; and

WHEREAS, the auxiliaries of the campus collectively underwent an RFP for auxiliary audit and selected the firm of Clifton Larson Allen to perform the annual fiscal audits for each of the campus' auxiliary organizations and to prepare the annual informational tax filings for each organization; and

WHEREAS, the Foundation Nominating Committee has the responsibility for recommending to the Board of Directors the retention and termination of the Corporation's independent auditor; and

WHEREAS, The Nominating Committee convened and voted to recommend Clifton Larson Allen (CLA) as Foundation's audit firm to perform the annual fiscal audits and to prepare the annual informational tax filings; and

WHEREAS, engagement with Clifton Larson Allen will commence for the fiscal years FY1819 to FY2021.

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

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

RESOLVED, that the Board of Directors with recommendation from Foundation's Audit Committee formally appoints Clifton Larson Allen to serve as its auditor for its required annual fiscal audit and engages the firm to prepare its annual informational tax filings.

Adopted this 20th day of June, 2019

RESOLUTION: FY1819-14

RESOLUTION TO CONTINUE THE APPOINTMENT OF JEROME "JERRY" GROOMES AS INTERIM EXECUTIVE DIRECTOR OF THE FOUNDATION

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, auxiliary organizations exist to perform essential functions associated with CSU campuses, which under California law are difficult, cumbersome, and/or legally restricted for the university and not supported by state funding; and

WHEREAS, as an auxiliary organization, the Foundation exists as a separate legal entity that operates pursuant to an Operating Agreement with the CSU Board of Trustees governed by Chapter 7, Part 55, Division 8, Title 3 (Sections 89900 et seq.) of the Education Code and Subchapter 6, Article 1, Part V (Sections 42400 et seq.) of Title 5 of the California Code of Regulations (CCR) and is governed by a Board of Directors that is responsible for the administration of the organization; and

WHEREAS, under Article IX Section 3 of the bylaws of the Foundation, The Executive Committee shall, except when the Board is in session, have all the powers and authority of the

Board in the management of the business and other affairs of the corporation and shall oversee the financial affairs, commercial services functions, and human resources matters of the Foundation, as well as its operating policies and procedures; and

WHEREAS, the recent nationwide search to hire a permanent Executive Director did not result in the position being filled prior to June 30, 2019, the expiration date on the current contract with Jerome Groomes; and

WHEREAS, the Executive Committee desires to continue to employ Jerome Groomes as Foundation Interim Executive Director while efforts to find a permanent Executive Director continue; and

WHEREAS, the Executive Committee wishes to extend the employment date of Jerome Groomes as resolved in Resolution FY1819-6, November 08, 2018 to June 30, 2019, to a month to month employment with no end date; and

WHEREAS, Jerome Groomes accepts the terms of this agreement and acknowledges an “at will” employment status; and

WHEREAS, Jerome Groomes for the benefit of Foundation agrees to stay on as Interim Executive Director until a separation is desired by the Executive Committee, Jerome Groomes himself or upon appointment of a permanent Executive Director.

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, does hereby affirm compensation for the appointment of Mr. Groomes of \$185,400 per year, with health, dental, vision, AD&D, vacation, sick, and retirement benefits authorized for full-time Foundation management staff provided to him; and

RESOLVED, that the Board of Directors of the Foundation, does hereby affirm that the appointment of Mr. Jerome “Jerry” Groomes as Interim Executive Director is subject to the continued pleasure of the Board of Directors and may be terminated at any time, with or without cause or advanced notice, by the Board of Directors; and

RESOLVED, that the University Interim Vice President for Administration and Finance is directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Adopted this 20th day of June, 2019.

RESOLUTION: FY1819-15

APPROVING THE SCHEDULE OF BOARD OF DIRECTORS AND COMMITTEE MEETINGS FOR FY 2019-20

RESOLVED, that the Board of Directors of the Foundation adopts the following schedule of meetings:

Board of Directors:

- September 26, 2019 from 3-5 pm
- December 05, 2019 from 3-5 pm
- March 26, 2020 from 3-5 pm
- June 18, 2020 from 3-5 pm

All meetings of the Board of Directors are held in the President's Conference Room in Welch Hall D444.

Executive Committee:

- August 08, 2019 from 3-5 pm
- October 10, 2019 from 3-5 pm
- January 16, 2020 from 3-5 pm
- March 12, 2020 from 3-5 pm
- June 04, 2020 3-5 pm

All meetings of the Executive Committee will be held in Foundation's Conference Room in Welch Hall, 360E.

Nominating Committee:

- Will Convene as Needed

Pursuant to Education Code § 89922, A special meeting may be called at any time by the GB presiding officer or sub-board chair, or by a majority of the relevant body, by delivery personally or by mailed written notice to each body member, and to any notice requester or other party to be directly affected by such meeting. No business other than that set out in the notice shall be considered at such meetings.

All meetings of the Nominating Committee will be held in Foundation's Conference Room in Welch Hall, 360E.

Audit Committee:

- September 12, 2019 from 10am – 11:30am
- Will Convene as Needed

Pursuant to Education Code § 89922, A special meeting may be called at any time by the GB presiding officer or sub-board chair, or by a majority of the relevant body, by delivery personally or by mailed written notice to each body member, and to any notice requester or other party to be directly affected by such meeting. No business other than that set out in the notice shall be considered at such meetings.

All meetings of the Audit Committee will be held in Foundation's Conference Room in Welch Hall, 360E.

Adopted this 20th day of June, 2019.

RESOLUTION: FY1819-16

**RESOLUTION OF THE BOARD OF DIRECTORS AUTHORIZING CAPITAL
INVESTMENT FOR DINING SERVICES**

WHEREAS, the California State University, Dominguez Hills Foundation ("Foundation") in order to meet the needs of its students, faculty, and staff has deemed it necessary to invest in expansion of its dining services; and

WHEREAS, the Foundation has engaged consultants, project directors, committee members, and management to develop a cost benefit analysis to determine University and public impact; and

WHEREAS, the Board of Directors previously approved Resolution FY1718-9 to authorize capital investment not to exceed \$550,000 for design and renovation of vacated space in Loker Student Union and previously dedicated to Jamba Juice as a new location for Starbucks; and

WHEREAS, determination of viability of this space has been deemed not feasible, the Executive Committee brings the proposal to the Board of Directors to change course on its previously approved Starbucks plans; and

WHEREAS, the Executive Committee seeks Board approval to authorize a decreased capital investment amount not to exceed \$125,000 to bring a "Proudly Served" Starbucks model to the current Green Mountain Coffee space located in the Library; and

WHEREAS, the "Proudly Served" model will allow use of Starbucks brand coffee, paper products, signs, and branding.

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 a capital investment not to exceed \$125,000 to bring a "Proudly Served" Starbucks model to the current Green Mountain Coffee space in the Library; and

RESOLVED, the Board of Directors may have to approve additional funding once planning, construction and project estimates have been realized; and

RESOLVED, that the Interim Executive Director is authorized to execute the necessary contracts and engage the appropriate consultants and personnel to effectuate this upgrade; and

RESOLVED, that the Interim Executive Director is hereby authorized to take any and all other action(s) necessary and appropriate for the effectuation of this resolution.

Adopted this 20th day of June, 2019.

RESOLUTION: FY1819-17

**RESOLUTION OF THE BOARD OF DIRECTORS APPROVING THE GENERAL
SALARY INCREASE (GSI)
FOR FY 2019-20**

WHEREAS, the California State University, Dominguez Hills Foundation (the “Foundation”) is a recognized auxiliary organization of The California State University (the “University”); 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 salary increases 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 a 3% General Standard Increase for all Foundation Career employees hired prior to January 1, 2019; and

RESOLVED, that certain Foundation Central office employees are not eligible for the GSI increase due to retention increases provided January 2019; and

RESOLVED, that in authorizing the FY2019-20 GSI program, the Board restricts eligibility for the program to career employees of the Foundation (specifically, those full-time benefitted employees in areas represented by the Operating Budget of the Foundation, excluding grants and contracts and trust/agency accounts); and

RESOLVED, that employees eligible under the GSI program shall receive their respective increases effective July 1, 2019; and

RESOLVED, that, while employees of the Foundation under grants and contracts and trust/agency accounts are not eligible for this GSI program, nothing in this resolution shall prohibit

or restrict appropriate management employees of the Foundation from requesting, and Human Resources approving, increases for such employees up to the percentage amounts authorized under this program, subject to availability of funds and approval of agency authorities as required; and

RESOLVED, that the Interim Executive Director is directed to undertake all efforts required to implement the FY2019-20 GSI 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.

Adopted this 20th day of June, 2019.

RESOLUTION: FY1819-18

**RESOLUTION OF THE BOARD OF DIRECTORS APPROVING THE OPERATING
BUDGET FOR FY2019-20**

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 FY2019-20 and the Executive 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 FY2019-20 Operating Budget as presented; and

RESOLVED, that the Interim Executive Director is directed to submit the FY2019-20 Operating 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.

Adopted this 20th day of June, 2019