

Thursday, September 26, 2019
3:00 PM to 5:00 PM
Executive Conference Room, Welch Hall D-444

Board of Directors Meeting Minutes

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

Members Absent: Alan Caldwell, Ron Coley, and Christian Jackson

Guests: Richard Chester (Associate Executive Director Foundation), Brian Lundeen (Grobstein Teeple), Jinna Matzen (Manager Business Process Improvement) and Deborah Roberson (Chief of Staff)

I. Call to Order

Meeting called to order by von Ting at 3:09 P.M.

II. Approval of Meeting Agenda

Huff moved and Furtado seconded. Motion carried.

III. Approval of June 20, 2019 Meeting Minutes

Brentano moved and Stewart seconded. President Parham abstained due to absence at the June 20, 2019 meeting. Motion carried.

IV. Public Comment

No one was present to represent the public.

V. Reports

University President

The President started off his report stating that he and others had come off a whirlwind couple of weeks, which included working on projects that will involve the Foundation. The President thanked a team of people for the University's most recent

success, the approval of the Master Plan. Individuals thanked included Facilities, David Gamboa and team, Jay Bond, and Roshni Thomas as well as all others that helped shepherd the process to have the Master Plan approved. The President explained that a presentation displaying the massive support for the Master Plan was made to the Board of Trustees on September 24, 2019. The presentation detailed letters and statements of support from four out of five City of Carson council members, resident associations, chamber of Commerce, Alumni, AEG, and the Academic Senate. The Board accepted this information applauding the success of this initiative. The President continued his report explaining that CSUDH successes should serve as a signal that CSUDH has to improve its management of operations and not act as independent silos and that all divisions, departments, and auxiliaries should coalesce around one vision of the University. The President further detailed that with the transformation and growth of CSUDH the change makers' vision and handling of operations had to grow. The President noted that with the increase in faculty, new students with enrollment in record numbers, increased support from the Chancellor's office, and three new campus buildings that CSUDH is growing at a rapid pace and that CSUDH is not the same campus it was years ago. The President detailed a University initiative to align focus of auxiliaries to not act as independent entities and instead act with the same vision with all entities sharing a common thread, to support the mission of the University. The President urged members of the Board to look within themselves to elevate policies and procedures and enter into a space to shift the focus of the campus and align both Foundations to make a first in class experience for our students and to ensure that we are doing everything we can to support the rise and trajectory of this institution. The President ended his report acknowledging his excitement and pleasure at where the University is right now and where he sees it heading, the President then welcomed questions. The Board engaged in conversation regarding enrollment growth, population trends and demographics noting that enrollment in all areas has increased year after year with freshman, transfers, and graduate numbers increasing. The Board continued conversations which included impaction, it was noted that CSUDH is the only campus in the LA basin that isn't restricted by impaction and that CSUDH has one asset that most others don't, land. Discussions also included the University Village which was constructed in five months, financial aid reform, Business Park opportunities which would allow CSUDH to bring industries closer to talk about how to smooth the fit not only for students that are undergraduates but students who then graduate, micro certificate programs to make individuals more marketable in different industries, and funding including what was being done externally and internally to put back necessary reserves, developing and harnessing resources, the need to create passive income, and how CSUDH could generate revenue.

VI. Officer's Reports

Chair of the Board

Von Ting opened his report detailing the activities of the Executive Committee. Von Ting first updated the Board on the status of the search for a permanent Executive Director noting that the recent search did not result in a candidate being hired. Von Ting further explained that due to the current candidate pool a decision was made to halt the search for a year to allow time for the pool to replenish and for new candidates to be presented. Von Ting then reported on activities of the Nominating Committee, noting that nominations will be brought up later in the meeting under

“Action Items”. Von Ting further noted that vacant Board member positions have been discussed and potential candidates were identified. Von Ting transitioned his report to actions of the Audit Committee explaining that the firm Foundation worked with this year is a new firm that Foundation had not worked with previously, Clifton Larson Allen, and that the audit identified some problems. Von Ting stated that although problems were identified, the Audit Committee wanted Clifton Larson Allen to delve thoroughly into Foundation operations and not just provide a cursory glance. Von Ting explained that since the findings were fairly significant he felt that the audit firm should speak directly to the Board clarifying that at the end of the meeting the Board would meet with Clifton Larson and Allen in “Closed Session”. Von Ting gave a special thanks to Audit Committee members, Wayne Nishioka, Lorena Raymundo Yusuf, Dr. Cornelia Brentano, David Donell, and guest Dana Ward for going above and beyond, and thanked them for taking their job seriously. Von Ting continued his report to the Board disclosing a big reconciliation project with the Philanthropic Foundation and Grobstein Teeple noting that review of records were being conducted on endowments covering a span of sixteen years. Board members questioned the project timeline requesting a completion date. Guest, Lundeen from Grobstein Teeple expressed that his firm was close to completing this project, further stating that it should be completed by the end of this month, September. Board member and Executive Director of the Philanthropic Foundation, Stewart, clarified that this investigation would include determining if the initial analysis when Foundation was split into two entities, the Philanthropic Foundation and Foundation, was correct. Stewart communicated to the Board that both organizations were working closely together to ensure donor obligations were met. Von Toing concluded his report by summarizing the work of Grobstein Teeple noting that they were also drafting policies and procedures with manual guides to ensure that the Foundation is not dependent on individuals’ institutional memory and that new employees could refer to manuals created.

Executive Director Report

Groomes opened his report by introducing Dr. John Price, Interim Dean of Graduate Studies and Research, explaining that Dr. Price oversees Post-Award programs which Foundation does a lot of work with. Groomes directed the Board to review the document in their packet titled “New Extended Hours of Operation”, explaining that this document outlined new Dining hours that were created to mirror the hours of the LSU, and to provide services to students while on campus. Groomes further reported that Dining Services had extended their social media campaign to provide better service, Green Olive opened in September, Proudly Served Starbucks in the Library was now open, and Everytable, a healthy affordable food concept would be opening soon. Groomes disclosed that the campus Taco Bell had closed due to the franchise operator ceasing his contract with Taco Bell and that Foundation was looking at opportunities to replace and expand food operations in the now vacant space. Groomes explained that Foundation had talked to outside entities and is looking into self-op activities stating the big advantage of cooking space included. Groomes cited that Foundation was currently working on expansion and improvements in the LSU for the five hundred new residential students expected next fall. Groomes affirmed that when the Resident’s Hall is complete Foundation will ensure that they are prepared to provide services to the new students declaring that the project to renovate the space known as I910 was being undertaken to address the increase in student population and

that the new space would create an attractive environment. Groomes explained that Foundation was working with Roshni Thomas, architects, and Dining consultants on this project. The Board entered into conversation regarding Everytable with Chester explaining the Dining concept is a program designed to provide nutritional meals, both hot and cold, to the underserved at an affordable rate using a sliding scale for different economic areas. The Board further discussed the alignment of Foundation and the University and how Everytable works well with the campus “Basic Needs Initiative”. The Board continued discussions to address the needs of the CSUDH campus including food pantries, directing of donated items, and gaining an understanding of what food and security means and interpretations to address concerns responsibly. The Board conversed about identifying students who are in need and ways to get them resources that the campus can provide, to speak to what we the campus is doing as a group and to align objectives. The Board discussed modular buildings with members noting that modular could beat traditional construction on time and expense and discussed the possibilities of using modular buildings to create food pantries, offices. The President urged the Board to continue to look inward to determine creative ways to address campus concerns and move the campus forward. Groomes continued his report by announcing the hiring of a new CFO, Michael Williams, stating that Williams was to start soon and that Williams would be provided a road map created by Grobstein Teeple to assist in aiding him in his new role. Groomes went on to report that Foundation joined the University in hiring a consultant group, Sibson, to do an organizational assessment. Groomes explained that Sibson was contracted to take a close look at policies and procedure and would provide recommendations that will help Foundation better provide services. Groomes notified the Board that they would be contacted by Sibson as the firm would be conducting interviews with stakeholders and staff and that Sibson has a lot of experience working with Higher Education Institutes. Groomes concluded his report by communicating to the Board that if the Long Term Investment Policy was approved today under “Action Items”, that the RFP for new Investment Advisors would be distributed tomorrow.

VII. Committee Reports

Executive Committee

Von Ting addressed the Executive Committee report under his Chair Report.

Nominating Committee

Von Ting opened his report by explaining that Alan Caldwell had to resign from his position on the Exec Committee and the Nominating Committee due to time constraints at his new job but desired to continue to serve on full Board. Von Ting declared that the Nominating Committee voted to nominate Del Huff to the Nominating Committee and Carrie Stewart to the Executive Committee explaining that both these nominations were under “Action Items” and would go before the Board today for approval.

Audit Committee

Nishioka reported that most of the Audit Committee report was covered by Chair von Ting during his Chair report, but added that Stateside (University) was working with Foundation on shared services to address the procurement findings in the audit.

VIII. Financial Reports

Investment Review as of August 31, 2019

Lundeen drew the Board attention to “Investment Review” documents in their packet explaining to the Board that the documents provided detailed bench mark, year to date returns, U.S. equities, percentages of investments and asked the Board if they had any questions regarding the distributed Investment Review. The Board had no questions.

Statement of Operations as of July 31, 2019

Lundeen reviewed the financial documents provided to the Board discussing the Foundation budget including revenue and Commercial Operations. Lundeen pointed out the Statement of Net Position, also known as a Balance Sheet, and clarified that a new short term investment account had recently been opened and that most the funds in that account belonged to the Philanthropic Foundation. Lundeen further cited that most of the interest income generated would be allocated to the Philanthropic Foundation. Lundeen reported that AR was up and cash was down due to timing of Grants and Contracts invoices, causing cash fluctuations year over year. A member of the Board requested an AR aging report noting that this item was a commitment Grobstein Teeple made in a previous Executive Committee meeting. Lundeen explained that the way AR information is being inputted into the system is not allowing for an accurate AR aging report citing that this was one of the audit findings. Lundeen acknowledged that this was a commitment of Grobstein Teeple and told the Board that he hopes to have an AR aging report before his firm concludes its business with Foundation. Lundeen asked the Board if they had any questions on the balance sheet. The Board had no questions. Lundeen requested that the Board draw their attention to the Statement of Revenue, also known as the Income Statement, noting that on the whole Foundation had 19.7 million in operating revenue in 2019 compared to 21 million in 2018. Lundeen explained that one of the drops was attributed to Grants and Contracts and explains the variances in actual numbers, expenses were also slightly lower but were about the same. Lundeen commented that the overall change in net position was negative (-)260, 247.00, advising that a lot of the negative number had to do with identified audit adjustments. Lundeen asked the Board to review page four of the financial documents, the Statement of Operations and explained that the document breaks down by function and that the detail behind the breakdown is on pages 5 and 6. Lundeen highlighted that there was a one-time non-recurring revenue present on the Statement of Operations and noted that numbers in the current fiscal year would decline due to the allocation of parking revenue from Dignity Health going to Parking Services at the University and not Foundation. Lundeen closed his report pointing out an item on page 6 stating that typically both amounts revenue and expense should outweigh each other but due to audit findings and poor collections Grants and Contracts ran at a loss this year and Foundation would have to bear this cost. The Board requested more clarification on what it means for Grants and Contracts to run at a loss and asked whether this meant that received Grants did not collect all the funding due to lack of invoicing or did this mean that Grants and Contracts billed out more than what it should have. Lundeen explained it was both citing an incident that occurred with students who received funds on a Grant but did not complete the program. The Board held discussions on the criticalness of fixing this. The Board

further discussed reasons for not billing to recoup loss, Lundeen explained that the window of opportunity closed to collect and that applications have to be submitted to apply for continuances. Lundeen declared that this reemphasizes the need to “get our arms around Accounts Receivable and the need to collect”. Lundeen affirmed that this was something Grobstein Teeple wants to address before concluding its contract with Foundation. The Board concluded discussions conversing on items such as credibility, reputation, and the need to significantly improve functions not only with Foundation staff but also improve interactions and communications with the Philanthropic Foundation and Grants and Contracts. The Board noted that Foundation cannot make needed changes on their own, and that the effort had to be a collaborative with the different organizations it serves in order to bring about change and improvement.

IX. Informational Items

AEG Audit

Chester briefly reviewed the AEG Audit noting that there were no real findings. The Board discussed the percentage amount contracted and that the audit confirmed that payments received were accurate.

X. Action Items

- 1) Resolution Electing Carrie Stewart to Serve on the Executive Committee

Ivey moved and Gamboa seconded. Motion carried.

- 2) Resolution Electing Del Huff to Serve on the Nominating Committee

Ivey moved and Furtado seconded. Motion Carried

- 3) Resolution Ratifying Executive Action for Approval of Amendment of Bylaws
Von Ting explained that this was necessitated due to the wording of the Bylaws and that the current Bylaws identified that the only person who could Chair the Audit Committee had to be the Associate VP of Finance. Von Ting communicated that a change was being requested to the bylaws to allow the Associate VP of Finance to delegate this position if needed. Nishioka noted that this position was delegated to Lorena Raymundo Yusef, University Accounting Services Manager, and that she chaired the Audit Committee this year, but that next year this would most likely revert back to him but will allow him to delegate the role again if needed.

Ivey moved and President Parham seconded. Motion Carried

- 4) Resolution to Approve Disbursement Fund Policy

Von Ting announced that the Executive Committee determined a need for policy when large distributions were being made without Board knowledge. Von Ting further noted that the Executive Committee felt a document outlining what needs approval, what does not, and timing of distribution would assist in staff guidance.

The Board entered into discussion regarding IDC distributions.

President Parham moved and Dr. Spagna seconded. Motion Carried

5) Resolution to Approve Long Term Investment Policy

Von Ting explained to the Board that two documents were being provided for their review, a redlined version of the current Investment Policy with the changes made, and a clean version of the updated policy. Von Ting highlighted the major changes in the policy noting that the updated policy has language to reflect sustainable responsible investing and language that clarifies the role of investment advisors. Von Ting detailed that the policy states that investment advisors that Foundation hires will have the authority to make decisions to buy, and sell stock and not the Executive Committee. Investment advisors will set target policies, Executive Committee will approve general guidelines. Von Ting summarized the new policy stating that operational authority would be given to investment advisors but supervisory authority would remain with the Executive Committee. The Board entered into conversations regarding inflation rates and benchmarks.

Donell moved and Furtado seconded. Motion Carried

XI. Other Items

Dr. Leena Furtado: Presentation, Graduate Writing Institute for Excellence

Deferred to next meeting.

XII. Adjournment

Von Ting moved to adjourn, and clarified only voting Members of the Board of Directors and invited guests would be permitted to remain in Closed Session. Guests invited and permitted to remain for Closed Session included Wayne Nishioka and Deborah Roberson – Simms.

Meeting adjourned at 4:46 P.M.

** Following adjournment the Board of Directors entered into a closed session pursuant to California Education Code §89923 with invited guest David Robydek of Clifton Larson Allen. During closed session the Board discussed the results of the recent annual audit and changes to the compensation and job title of our current Interim Executive Director, Jerry Groomes that were previously approved by the Executive Committee.*

** All Resolutions passed at the September 26, 2019 meeting are attached as Exhibit A.*

Resolution 9.26.19 Exhibit A

RESOLUTION: FY1920-01

ELECTING CARRIE STEWART TO SERVE ON THE EXECUTIVE COMMITTEE

WHEREAS, Article IX Section 8 of the bylaws of the California State University, Dominguez Hills Foundation (the “Foundation”) calls for this Corporation to have a Nominating Committee, which shall nominate qualified candidates for the Board, Board committees, Board officer positions, and recommend Board members to replace outgoing Nominating Committee members; and

WHEREAS, due to the resignation of Alan Caldwell from the Executive Committee, the Nominating Committee wishes to appoint a member in accordance with Article IX Section 8 of the Foundation bylaws; and

WHEREAS, this Corporation shall have an Executive Committee, which shall be composed of the Chair, Vice Chair, and Secretary-Treasurer of the Board of Directors and an additional member of the Board of Directors elected by the Board. The fifth member shall be the Vice President for Administration and Finance. At least three (3) of the five (5) members of the Executive Committee shall be community members of the Board of Directors; and

WHEREAS, the Nominating Committee recommends Carrie Stewart to serve on the Executive Committee for the remainder of the existing term, 9/26/2019 – 6/30/2020.

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 appoints Carrie Stewart to serve on the Executive Committee for the remainder of the existing term; and

RESOLVED, that Article III Section 6 of the bylaws sets forth guidelines for Board and Committee terms and renewal of terms; and

RESOLVED, that terms of office will begin on July 1st and end on June 30th. Election will be held at the last scheduled Board meeting before July 1st. Vacancies on the Board of Directors including those by expiration of term shall be filled by nomination by the Nominating Committee, and a majority vote of the total present membership of the Board of Directors; and

RESOLVED, that the Interim Executive Director is directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Adopted this 26th day of September, 2019.

RESOLUTION: FY1920-02

ELECTING DEL HUFF TO SERVE ON THE NOMINATING COMMITTEE

WHEREAS, Article IX Section 8 of the bylaws of the California State University, Dominguez Hills Foundation (the “Foundation”) calls for this Corporation to have a Nominating

Committee, which shall nominate qualified candidates for the Board, Board committees, Board officer positions, and recommend Board members to replace outgoing Nominating Committee members; and

WHEREAS, due to the resignation of Alan Caldwell from the Nominating Committee, the existing members of the Nominating Committee wish to appoint a member in accordance with Article IX Section 8 of the Foundation bylaws; and

WHEREAS, the committee shall be composed of the Chair of the Board of Directors, the University Vice President for Administration and Finance, and three (3) other members of the Board of Directors to be elected by the Board. At least three (3) of the five (5) members of the Nominating Committee shall be community members of the Board of Directors; and

WHEREAS, the Nominating Committee recommends Del Huff to serve on the Nominating Committee for the remainder of the existing term, 9/26/2019 – 6/30/2020.

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 appoints Del Huff to serve on the Nominating Committee for the remainder of the existing term; and

RESOLVED, that Article III Section 6 of the bylaws sets forth guidelines for Board and Committee terms and renewal of terms; and

RESOLVED, that terms of office will begin on July 1st and end on June 30th. Election will be held at the last scheduled Board meeting before July 1st. Vacancies on the Board of Directors including those by expiration of term shall be filled by nomination by the Nominating Committee, and a majority vote of the total present membership of the Board of Directors; and

RESOLVED, that the Interim Executive Director is directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Adopted this 26th day of September, 2019.

RESOLUTION: FY1920-03

RESOLUTION TO RATIFY ACT OF THE EXECUTIVE COMMITTEE IN THE APPROVAL OF THE REVISION OF FOUNDATION BYLAWS

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, The California Education Code identifies a narrow band of entities that have status as “auxiliary organizations.” These entities include: entities designated by the Trustees; student body organizations operating under Education Code Section 89300; entities operating commercial services on a campus or other CSU property; and those entities with articles and bylaws expressing a purpose to support or benefit the CSU or one of its campuses, and with governing body members selected by either a CSU or campus official from students, faculty or staff, the Trustees or CSU staff; 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,** all activities and affairs of the corporation must be conducted and all corporate powers exercised by or under the direction of the governing board. The board may delegate management of corporate activities to any person, persons, or committee, however composed, as long as the board retains ultimate direction. This includes Amending or repealing Bylaws or any resolution with terms requiring board action to amend or repeal; and
- WHEREAS,** 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,** under Article IX Section 5, the Audit Committee shall be composed of three (3) members consisting of one (1) Executive Committee member who is a Community Director, with the exception of the Chair and/or Secretary/Treasurer of the Board of Directors, the University Associate Vice President for Finance and one (1) member of the Board of Directors who is not a member of the Executive Committee. **The University Associate Vice President for Finance shall serve as Chair of the Audit Committee;** and
- WHEREAS,** the Executive Committee on August 26, 2019 voted and approved bylaw revisions to allow the delegation of this role by the University Associate Vice President for Finance to a delegated University finance colleague; and
- WHEREAS,** the University Associate Vice President for Finance delegated the role of Audit Committee Chair and responsibilities thereof to Lorena Raymundo-Yusef, University Manager of Accounting Services.

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 has reviewed the recommended bylaws and adopts the new language of Article IX Section 5 “This Corporation shall have an Audit Committee that meets the requirements of the Nonprofit Integrity Act of 2004. Subject to the supervision of the Board of Directors, the Audit Committee shall be responsible for recommending to the Board of Directors the retention and termination of the Corporation’s independent auditor and shall confer with the auditor to satisfy its members that the financial affairs of the Corporation are in order and shall review and determine whether to accept the audit. The Audit Committee shall be composed of three (3) members consisting of one (1) Executive Committee member who is a Community Director, with the exception of the Chair and/or Secretary/Treasurer of the Board of Directors, the

University Associate Vice President for Finance **or delegated University finance colleague** and one (1) member of the Board of Directors who is not a member of the Executive Committee. The University Associate Vice President for Finance **or delegated University finance colleague** shall serve as Chair of the Audit Committee”; and

RESOLVED, that the Board of Directors hereby ratifies and affirms the action taken by the Executive Committee on behalf of the Board of Directors on August 26, 2019 to amend the Foundation bylaws and allow delegation of the Audit Committee Chair position by the University Associate Vice President; and

RESOLVED, that the Board of Directors of the Foundation accepts recommendation of the Executive Committee and hereby adopts the amendment of Article IX Section 5 of The Foundation bylaws.

Adopted this 26th day of September, 2019.

RESOLUTION: FY1920-04

RESOLUTION OF THE FOUNDATION BOARD OF DIRECTORS APPROVING AND ADOPTING THE UNIVERSITY FUND DISBURSEMENT POLICY

WHEREAS, as a public university, California State University Dominguez Hills (CSUDH) relies on its auxiliary organizations to help fund programs and services benefiting students, faculty, and staff. In 1968, CSUDH created the CSUDH Foundation to oversee commercial enterprises on campus, including the bookstore, dining services and programs developed to administer faculty/university research grants; and

WHEREAS, The Foundation continues to be a valued partner in advancing the University mission and provides annual revenue to the University in support of students, faculty, and staff; and

WHEREAS, the Foundation desires a written procedure/policy to govern the disbursement of funds to the University; and

WHEREAS, this policy outlines distribution guidelines for: University Support Distribution, Indirect Cost Allocations, Scholarship, and Other Approved Disbursements.

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 Foundation approves and adopts the California State University Dominguez Hills Foundation University Fund Disbursement Policy; and

RESOLVED, that the Foundation Interim Executive Director shall be directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Adopted this 26th day of September, 2019.

RESOLUTION: FY1920-05

RESOLUTION OF THE FOUNDATION BOARD OF DIRECTORS APPROVING AND

ADOPTING THE LONG TERM INVESTMENT POLICY

- WHEREAS,** the California State University, Dominguez Hills Foundation is a recognized auxiliary organization of The California State University incorporated as a 501(c)3 non-profit public benefit corporation in April 1968; 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,** the California State University, Dominguez Hills Foundation established the Long Term Fund for the benefit of the California State University, Dominguez Hills. The Fund holds revenue in excess of that needed to cover the Foundation's operating costs and also includes capital reserves to fund future projects; and
- WHEREAS,** the Fund is intended to exist in perpetuity with potential for extraordinary withdrawals for long term projects as approved by the Foundation Board of Directors; and
- WHEREAS,** the current policy is out of date, pre-dating the split between the Foundation and Philanthropic Foundations.

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 Foundation approves and adopts the California State University Dominguez Hills Foundation Long Term Investment Policy; and
- RESOLVED,** that the Foundation Interim Executive Director shall be directed to take all actions as may be necessary and proper in connection with the execution and implementation of this resolution.

Adopted this 26th day of September, 2019.