

Friday, April 24, 2020 3:30 pm to 5:00 pm
Zoom Meeting Conference: <https://csudh.zoom.us/j/99513707933>
Dial: +1 646 876 9923 (US Toll) or +1 312 626 6799 (US Toll)
Meeting ID: 995 1370 7933

AD HOC EXECUTIVE COMMITTEE MINUTES

Members Present: David Donell, Roger von Ting, and Dana Ward

Members Absent: Deb Wallace (VP Admin & Finance)

Guests: Richard Chester (Associate Executive Director), Jerome Groomes (Executive Director), Jinna Matzen (Manager Business Process Improvement, Customer & Board Relations), Cherisse Ross (Interim Controller), and Bob Sesnon (Interim CFO)

I. Call to Order – Chair Roger von Ting

Meeting called to order by von Ting at 3:32 PM.

II. Approval of Meeting Agenda

Donell moved, and Ward seconded. Motion carried.

III. Public Comment

No one was present to represent the public.

IV. Informational Items

a. Chair Nomination

Von Ting notified the Executive Committee that community board member Del Huff agreed to be the next Chair of the Board. Von Ting further stated that the Nominating Committee would discuss Huff's appointment and, if approved, would go to the full Board of Directors for action.

b. Vice-Chair Candidates

Von Ting and the Executive Committee discussed possible replacements for the Vice-Chair position, noting that a candidate had yet to be identified.

c. Committee Chairs

The committee engaged in conversation about committee requirements and the individuals that serve on them.

V. Financial Reports

a. Financial YTD

Groomes introduced Bob Sesnon to the Executive Committee, explaining that Bob Sesnon has been working with Foundation as a consultant on and off for the past eight years. Groomes further explained that Sesnon would be assisting in covering CFO duties as well as helping with our financial software, OneSolution, system. Bob Sesnon shared his screen, discussed, and displayed to the Executive Committee funds held by each entity. The Executive committee discussed cash flow needs, separation of funds, AR for Grants, consistent positive cash balances, long-term investments, and safety nets.

b. FY2019-20 – FY2020-21 Fiscal Year Projections

Sesnon explained the methodology used for his projections with the Executive Committee. The committee discussed claim on cash, cash needed on hand, short-term investments, long-term investments, commingling of funds, separation of funds with different bank accounts, general ledger capabilities, and the complexity of cutting checks and bank reconciliations if separate accounts are needed.

c. Current Investment Review w/Balance & Earnings to Date

The Executive Committee engaged in conversations on market volatility, liquidity of assets, funds held in long-term investments, recent losses due to Covid-19 affecting the market, future projected losses, lack of cushion in liquidity, need for reserves, insolvency, loan options, the ability to repay debt, and liabilities.

VI. Action Items

- Authorization for Capital Investment for Dining Services – 1910 Renovation

A revised proposal was made for capital investments for Dining. Groomes provided a document titled “Loker Student Union Capital Improvements” that proposed Foundation take a \$1.5 million from the Philanthropic Foundation for a ten (10) year period at a 2.5% interest rate, with interest only to be paid until the campus reopens and Foundation revenues begin to flow again. Groomes conveyed to the Executive Committee that the other \$1.5 million to fund the \$3 million expansion project would be paid by Loker Student Union but was still pending Loker Student Union Board approval. The Executive Committee discussed the Foundation’s ability to repay a loan from the Philanthropic Foundation and current and future instability for Foundation. Von Ting stressed his concern over Foundation’s current financial status and concerns regarding taking on more debt that would be difficult to repay and pay interest fees on. The Executive Committee deferred the vote and requested this revised item be brought to the full Board of Directors for vote on May 28, 2020.

VII. Adjournment

Von Ting moved to adjourn, Ward seconded. Motion Carried. Meeting adjourned at 5:32 PM.