Minutes

A meeting of the Board of Directors of The Campanile Foundation was held at San Diego State University in the Stephen L. Weber Board Room of the Parma Payne Goodall Alumni Center, San Diego, California, on December 4, 2014, pursuant to the notice duly posted for public information.

The following Directors were present:

Terry Atkinson  Greg Fowler  Michael Pack
Ed Blessing    Dan Gross     Patti Roscoe
Mary Ruth Carleton Elliot Hirshman Jerry Sanders
Nikki Clay     Rich Kerr     Bob Scarano
Dorothy Codling Evelyn Lamden Christopher Sickels
J. Cole        Ken McCain   Jim Sinegal
Mary Curran    Thom McElroy
Diane Denkler  Jack McGrory
Julie Dillon    Mark McMillin
Bill Earley    Kris Michell

The following Directors were excused:

Steve Davis  Alan Gold     Karin Winner
Kelly Doran  Lawrence Henry
Andrew Esparza Christy Hilton
Marshall Faulk Rod Lanthorne
Bill Geppert  Susan Salka

The following Officers were present:
Sarah Slaughter, Chief Financial Officer, The Campanile Foundation

The following University administrators and staff members were present:
Greg Block, Chief Communications Officer
Megan Collins, Director of Government and Community Relations
Jim Herrick, Assistant Vice President, Alumni Engagement
Pauline Hill, Senior Assistant to the Vice President, University Relations and Development
Chris Lindmark, Assistant Vice President of Campaign and Presidential Events
Tom McCarron, Vice President of Business and Financial Affairs
Lizette Najera, Assistant to the Vice President, University Relations and Development
Catherine Snapp, Presidential Communications Director
Catherine Terrones, Senior Director of Donor Relations
Amy Walling, Assistant Vice President, Planned Giving
I. Call to Order

Chairman Kit Sickels called the meeting to order at 2:36 p.m. by welcoming board members and guests.

Chairman Sickels thanked the board and staff for all their support during his time as Chair of the board. He noted that this has been the best group of board members and staff he has had the privilege to work with.

II. Installation of the Chairman of the Board

Mr. Sickels asked for a motion to approve Resolution 14-12, electing and installing Jack McGrory as Chairman of The Campanile Foundation.

RESOLUTION NO. 14-12
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMPANILE FOUNDATION
ELECTING AND INSTALLING
JACK McGRORY AS CHAIRMAN
OF THE CAMPANILE FOUNDATION BOARD

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 14-12.

Chairman McGrory said it is an honor to be chair of one of the best boards – non-profit and private boards in San Diego. He is happy to be a part of a great university and board. Mr. McGrory thanked Kit Sickels for his accomplishments during the past five years.

President Hirshman welcomed and congratulated Jack McGrory. He also thanked Kit Sickels on behalf of the entire University for all his work. Mr. Sickels was presented with an engraved gavel.

III. Approval of Consent Agenda / December 4, 2014

Chairman McGrory requested a motion to accept the Consent Agenda.
Motion: A motion was made, seconded, and unanimously carried to accept the Consent Agenda for The Campanile Foundation Board of Directors meeting of December 4, 2014 thereby approving the minutes of the:

- Campanile Foundation Board Meeting – Minutes of September 4, 2014
- Audit Committee – Minutes of September 26, 2014
- Nominating and Organizing Committee – Minutes of October 14, 2014
- Government & Community Relations Committee – Minutes of November 17, 2014
- Alumni Engagement Committee – Minutes of December 3, 2014
- Finance and Investment Committee
  - Minutes of Conference Call on October 2, 2014
  - Minutes of Conference Call on October 3, 2014
  - Minutes of Conference Call on October 10, 2014
  - Minutes of December 3, 2014

IV. The Campaign for SDSU

A. Legacy, Connections, Prestige and Stewardship

Chairman McGrory stated that one of the themes for this next phase is legacy. We want to focus on increasing the number of planned gifts. He asked the board to consider additional gifts or increasing their existing planned gift. It’s an opportunity for all of us to leave a legacy.

Second, we want to build connections. Part of a board member’s responsibility is to identify prospective donors. When you are in the community, identify people who have a potential connection or would like to support San Diego State. Make sure to let us know about those and we can strategize and figure out a way to make a diplomatic approach and ask them to support SDSU.

Third, continue to build on what President Hirshman has said, SDSU has become a great national university. Continue to advocate for SDSU and tell the story. We had a 10% increase in applications. We continue to be competitive and attractive to prospective students.

The last theme is stewardship. Many of our board members are helping to thank donors personally. Thank you for what you do and let’s do more where we can.

B. Campaign for SDSU

Ms. Carleton announced that the Campaign total is at $538M. We’ve had a fantastic fall, the momentum and enthusiasm has been great. Ten gifts of $1M or more were received just this fall; We’ve received 102 gifts of $1M or more to the Campaign.
Athletics:
We have new goals across campus. Athletics has set an ambitious goal to increase their endowment to $20M through planned gifts. A video was shown highlighting Athletics’ current success and future goals.

Student Campaign:
The efforts don’t stop there; our students are getting involved by helping other students to support SDSU. Kevin Hancock, AS Executive Vice President, gave a presentation on a new campaign to get students involved: “Aztec Proud.” The Aztec Proud Society is a collaborative effort between Associated Students, SDSU Ambassadors and the Alumni Association. The campaign is to get students to donate to a cause of their choice with a minimum donation of $10. Mr. Hancock’s first donation went to the department of Hospitality and Tourism Management.

Students receive an Aztec Proud t-shirt and lanyard, a thank you note and they become a donor to the university for the year. Invitations to networking events are also included. The program launched on Nov. 17. There are 139 student donors so far. The hope is that these donors will continue to give back after they graduate. The main focus right now is on current students and cultivating that relationship.

Ms. Evelyn Lamden suggested reaching out to recent graduates like her daughter.

Ms. Patti Roscoe suggested using the scoreboard at basketball games to market campaigns.

Campaign Dashboards:
Ms. Carleton reviewed the new Campaign dashboards. The first slide shows the Trendline Report and tracks where we are compared to our $750M goal. The second slide shows how the colleges are doing. The State Support vs. Fund Raising slide will be changed to show historical numbers from 2007. On the Allocation of Funds page, it is apparent that we need to grow the endowment.

The Regions:
Ms. Carleton announced that we have hired a new leader for our regional efforts, Amy Harmon. Terry Atkinson has worked with her in the past in the Bay Area Regional Council. Christa Farmer, director of development, updated the board on the regions in Amy’s absence.

Terry Atkinson shared that he has been helping with the regional effort in the Bay Area for 4-5 years. It started with 40 alumni and now we have hundreds of people at events. Mr. Atkinson stated that there are tremendous opportunities in Seattle and New York.

C. Campaign Messaging
Greg Block announced that the new Campaign messaging is out. The current 360 Magazine features “The Campaign for Markese.” Markese Jordan is a Guardian Scholar. We have 24 other faces which represent a program or initiative that the Campaign is raising funds for and is having an impact on. We are rolling out the campaign in ads in the Daily Aztec, the U-T
San Diego and pole banners all over campus. It’s important to build awareness on campus. We want faculty and staff to understand what the Campaign for SDSU is all about.

D. National Academy Chair Discussion
Chairman McGrory discussed the need to recruit a faculty member who is a member of the National Academy of Science to help our leading faculty become members of the national academy. Our thoughts are to endow a National Academy Chair for $2.5M. We need $150K plus benefits for this position.

President Hirshman mentioned that in moving the university forward, there are next steps. Having a National Academy member is one of those next steps. Throughout the country the Chair is seen as a measure of achievement and prestige and will elevate both our ability to help our great faculty members to get into the academy and to raise our profile as a national research university.

We want to discuss the various ways we can raise a $2.5M endowment. Perhaps one person would want to fund this or several people contributing.

Chairman McGrory asked the board if this is something that the board would support. The board agreed that it should be supported.

Terry Atkinson volunteered to lead a team that would like to focus on fundraising for a National Academy Chair.

Nikki Clay thanked Terry for leading this charge. She shared that as part of this next phase of the Campaign, board members need to get more involved in these individual efforts. Chairman McGrory asked the board if anyone else would like to help Terry with this effort. Evelyn Lamden volunteered to be part of this team. Greg Fowler and Ed Blessing also volunteered.

President Hirshman announced that Conrad Prebys is endowing a $2.5M chair to support research in Biomedical Sciences. This is part of building areas in science and engineering that will allow us to move forward.

Patti Roscoe asked if there are any major donors in sciences or engineering who would enjoy being involved and part of this leadership team. President Hirshman stated that there are discussions about opportunities in the Engineering and Interdisciplinary Sciences complex which is integrated with this effort. This discussion can expand beyond the TCF board.

Destination SDSU:
Chairman McGrory introduced the Destination SDSU project to the board. Three presentation boards were displayed showing the proposed new entrances to the university. One of the proposed entrances is to be located on Montezuma and Campanile Drive.

The project is projected to cost $1.6M. We are looking to raise half the amount ($800,000).
Mike Pack questioned the amount quoted for that particular project. He thinks it can be done for a lot less and in less time.

Ms. Carleton stated that there will be naming opportunities for a gate/entrance; i.e., Smith Gate or Smith Entrance.

President Hirshman indicated that Destination SDSU is part of a broader project which includes Wayfinding. There’s a significant challenge in terms of knowing when people are on campus as there is no destination point. Part of the project is to create gates or entrances in multiple areas so people can know 1) that they are at San Diego State and 2) this is what we stand for; we have a certain tradition, history and values and approaches.

Vice President Tom McCarron explained that there are several pieces to the project. In addition to the multiple entrances, there are plans for the freeway sign to be redone as well. The $1.6M is only for the entrance at Campanile and Montezuma Rd.

Mike Pack and Mark McMillin are willing to work on this together. It was suggested that they speak to Bob Schulz in Business Affairs.

E. Three New Names
Ms. Carleton mentioned that there are note cards at the table and asked all board members to provide three new names of individuals who they think can make an impact to the Campaign and support SDSU.

V. President’s Report

A. Dashboards for Top 50
President Hirshman reiterated that this phase of the Campaign is the legacy phase. Part of the legacy that we are trying to build is to become a top 50 public research university.

President Hirshman shared the US News and World Report dashboards that describe how a top 50 university is measured and where SDSU stands. SDSU has made an enormous amount of progress; from 2010 to now, we have gone overall from 190 to 149. This is a reflection of what the Campaign has accomplished for us. In terms of public universities, we are now at 80.

The measures are a mixture of objective and subjective measures. Measures like graduation rates, SAT scores and GPA are straightforward and objective. Others have subjective aspects, for example, rating of the presidents is part of the ranking.

Branding and marketing the institution in an effective way to the audiences and making changes to improve and enhance where we are will help us get to where we want to be.
Our performance is highly variable. The areas with solid performance are: academic reputation, graduation and retention, and student selectivity. Our weak areas are: faculty resources (how many we have and how much we pay them) and financial resources. Alumni Giving has increased quite a bit and can continue to make progress.

Everything we do in the Campaign is moving us upward. Endowing chairs brings new faculty members to SDSU and increases our financial and faculty resources. When we give a scholarship to a student we help that student be able to graduate. We also utilize scholarships to bring talented students to SDSU who otherwise would not come here.

B. CSU and SDSU Update

President Hirshman updated the board on the budget and shared highlights from the first semester. The overall financial position is stronger than what it has been. Specific areas are significantly stronger, for example: non-resident tuition and fundraising. SDSU has moved from being a state-supported university to a university that is a public-private partnership. We have multiple public and private funding sources that comprise our business model. We will continue to work with state lawmakers to increase state support for higher education.

C. Engineering and Interdisciplinary Sciences Building

The last phase of the Campaign is an opportunity to create a legacy through academic and research endowments. One of the opportunities is to build a new Engineering and Interdisciplinary Sciences Complex. This will support the excellence of our educational programs and foster the interdisciplinary research that addresses real world challenges. This state-of-the-art building will support our areas of research excellence, advanced engineering research and our entrepreneurship centers. To fund these ambitions, we are following our public-private financial model. We are bringing together private funding, university revenues from auxiliaries and state support to create a new funding model for facilities construction.

D. Research

President Hirshman introduced Professor Rob Edwards. Rob is a professor in bioinformatics and part of our Viromics Information Institute. His work is funded by the National Science Foundation and others. Rob received his Ph.D. from the University of Sussex. He continued his research at the University of Pennsylvania and the University of Illinois prior to joining us at San Diego State.

Dr. Edwards introduced Ph.D. student, Daniel Cuevas to speak on the impact of research on students. Daniel is in his second year of the Ph.D. program. Daniel was a student in Dr. Edwards’s undergraduate class when he was recruited to work in his lab.
After meeting Dr. Edwards and attending one of Dr. Edward’s seminars, Daniel developed an interest in bioinformatics. Thanks to the connections Rob had in the industry, Daniel landed a job after graduating. After a year, he came back to work for Rob in his research lab. His current research project is modeling bacterial cells.

Dr. Edwards stated that research experiences for students exposes to them to a whole different aspect of SDSU than just sitting in a classroom. Having research active faculty with connections to companies, having board members and other community supporters come and interact with students allows for them to be placed in important internships.

Dr. Edwards briefed everyone on the phage bacteria and invited everyone to tour his lab in the future.

VI. Nominating and Organizing Committee Report Patti Roscoe

Patti Roscoe thanked the members of the Nominating Committee for all their work this past year.

Ms. Roscoe asked for a motion to approve Resolution 14-13, commending Dorothy Codling, Steve Davis, Rod Lanthorne and Mark McMillin for their service to San Diego State University.

RESOLUTION NO. 14-13
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMPANILE FOUNDATION
COMMENDING
Dorothy Codling, Steve Davis, Rod Lanthorne and Mark McMillin
FOR THEIR SERVICE TO
SAN DIEGO STATE UNIVERSITY

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 14-13.

Dorothy Codling thanked everyone and stated that she enjoyed being a part of the TCF Board and her committees. She salutes the Board for the work that is done because it makes a difference.

President Hirshman thanked Mark McMillin and Dorothy Codling for their service to the board and to San Diego State University. Both were presented with gifts of appreciation.

Mark McMillin stated that he has enjoyed his time on the Board. He plans to stay involved in the business school and with SDSU.
Ms. Roscoe asked for a motion to approve Resolution 14-14, electing and installing Mary Ruth Carleton as President and CEO of The Campanile Foundation.

RESOLUTION NO. 14-14
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMPANILE FOUNDATION
ELECTING AND INSTALLING
MARY RUTH CARLETON AS PRESIDENT AND CEO
OF THE CAMPANILE FOUNDATION

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 14-14.

Ms. Roscoe asked for a motion to approve Resolution 14-15, electing and installing Sarah Slaughter as CFO and Amy Harmon as Secretary of The Campanile Foundation.

RESOLUTION NO. 14-15
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMPANILE FOUNDATION
ELECTING AND INSTALLING
SARAH SLAUGHTER AS CFO AND
AMY HARMON AS SECRETARY
OF THE CAMPANILE FOUNDATION

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 14-15.

Chairman McGrory reviewed the 2015 Board Officers and Committee assignments.

Ms. Roscoe reviewed the Committee’s Nominee List of prospects; if there are any questions or comments, please contact Patti Roscoe or Mary Ruth Carleton.

VII. Break

VIII. Associated Students Report

J. Cole

J. Cole reported that SDSU collected a record amount of food donations this year. SDSU collected 304,718 pounds of food, surpassing last year’s amount by 70,000.

The mascot resolution failed so we will remain Aztecs for a long time. Next year, SDSU will launch a leadership minor. It will consist of 15 units. The e-portfolio project is set to launch in spring.
President Hirshman commended J. Cole for the work he is doing on issues of sexual violence and sexual assault. He’s taken an incredible leadership role on a very important issue.

IX. KPBS

Andrea Dooley

Ms. Dooley reported that as of June 30, 2014, KPBS reported a net revenue in their operating budget of $303,000. They are currently finalizing audit for FY14 and anticipating $758,000 change in positive net assets. In the last six years, net assets have increased by more than $7M. The Nielsen ratings ranked KPBS #1 for most listened to radio station in all of San Diego. The Society of Professional Journalists, San Diego Chapter ranked KPBS’ 5 o’clock news cast, Evening Edition #1 in San Diego.

$6.4M has been raised as of October 2015 from philanthropy.

Membership continues to grow; 3,000 additional families became members in FY14. Membership is now at 50,000.

X. Finance and Investment Committee Report

Terry Atkinson

A. Chair’s Report

Terry Atkinson reported that The Committee met on December 3. The endowment investment pool had an 8.9% positive return for the 12 months ending in September 2014 compared to the policy index return of 9.2%. The three year return is 13.9% compared to the index of 12.8%.

The Committee also reviewed the FY14-15 Budget to Actual results. The narrative and financials are found in the Finance & Investment Committee portion of the board packet.

Mr. Atkinson presented the following two resolutions to the Board:

Chairman McGrory asked for a motion to approve Resolution 14-16:

RESOLUTION 14-16
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMPANILE FOUNDATION
APPROVING THE TRANSFER OF TRUE ENDOWMENT
ASSETS FROM
THE SAN DIEGO STATE UNIVERSITY RESEARCH FOUNDATION

Motion: A motion was made, seconded, and unanimously carried to approve Resolution 14-16.

Chairman McGrory asked for a motion to approve Resolution 14-17:
RESOLUTION 14-17
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAMPANILE FOUNDATION
APPROVING THE TRANSFER OF CHARITABLE GIFT ANNUITY ASSETS AND RELATED
LIABILITIES

Motion: A motion was made, seconded, and unanimously carried to approve
Resolution 14-17.

XI. Audit Committee Report
Sarah Slaughter

Sarah Slaughter reported that the committee met on September 26 to review the financial
audit by McGladrey Pullen CPA’s as of June 30, 2014. The Foundation received an
unqualified audit opinion. A financial statement net asset classification error was discovered
by Management and brought to the auditors’ attention. The error dated back to 2007.
It was a reclassification between Temporary and Unrestricted Net Assets and had zero effect
on Net Assets. The auditors initially listed it as a material weakness but after further
discussions, the auditors downgraded it to a significant deficiency. There were no audit
recommendations for management.

Ms. Slaughter mentioned that the Audit report is available for viewing on the TCF website.

XII. Government and Community Relations Committee Report
Jack McGrory

Chairman McGrory reported that the committee invited Deanna Spehn, Speaker Atkins’ staff
to the meeting. Deanna discussed Assemblymember Atkins’ current schedule and agenda,
and noted that December 1 is the beginning of the new session. Assemblymember Atkins’ is
currently working on several initiatives/priorities: Education, Water, General Housing and
Solar Initiative.

Assemblymember Atkins was provided with the following historical information:
- From 2007/08 – 2013/14: SDSU’s general fund allocation decreased by 34%, while
  other campuses saw an average decrease of only 23%.
- Since 2000/01, the total amount that has been made available to the CSU for state
capital funding is $3.15 billion. SDSU has received 3.8% of that funding, or $117.6
  million.
- Since 2000, the State University Grant reallocation has resulted in a net loss to SDSU
  of $9.6 million.

Megan Collins provided an update on South Campus Plaza. South Campus Plaza is a mixed-
use retail and residential development on College Avenue. The groundbreaking ceremony
was held on November 19. It’s projected to be complete by fall of 2016.
XIII. Alumni Engagement Committee Report

Jim Herrick

A. Chair’s Report

Jim Herrick reported that the Alumni Engagement Committee met just before the board meeting. Mr. Herrick reported through the partnering efforts with Associated Students and the SDSU Ambassadors, the SDSU Aztec Proud student philanthropy program was launched on November 17th. Through this program students are asked to make a $10 donation to any area of the university they are passionate about, that has an existing fund. After three tabling events 139 students have made donations to SDSU.

Some initiatives and techniques we are using are:

- Crowd Sourcing Model: an example of crowd sourcing; funding the debate team to travel to nationals.
- Cyber Monday, an electronic campaign generated 58 new lifetime members. The current number of lifetime membership stands at 7,405.

President Hirshman introduced a video highlighting the SDSU War Memorial.

XIV. Adjournment

Chairman Sickels adjourned the meeting at 5:05 p.m.

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Jack McGrory, Chairman

Attest:

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Amy Harmon, Secretary