

Cal Poly Humboldt FOUNDATION

Minutes of the EXECUTIVE COMMITTEE October 4, 2024

Members Present:

Robin Smith, Chair

Jack McGurk, Vice Chair

Jason Carlson, Treasurer & Co-Chair, Finance & Investment Committee

Scott Hunt, Chair, Audit Committee

Carin Kaltschmidt, Chair, Donor Intention & Fulfillment Committee

Ken Fulgham, Co-Chair, Finance & Investment Committee

Mark Johnson, Executive Director

Members Absent:

none

Guests: Kevin Furtado, Sherie Gordon, Angie Petroske, and Teresa Wilmott

A regular meeting of the Cal Poly Humboldt Foundation Executive Committee was held on Friday, October 4, 2024 at 10:00 AM via Zoom Teleconference.

1. Call to Order/Roll Call

The meeting was called to order by Executive Committee Chair, Robin Smith, at 10:02 AM.

2. Public Comments

There were no public comments.

3. Executive Directors Report

Executive Director Mark Johnson reported to the committee regarding the current campus climate and goings-on. There will be a Presidential Search Open Forum on campus Thursday, October 10, 2024 in the Van Duzer Theatre held by the Chancellor's Office and the CSU Board of Trustees. Faculty, staff, students, alumni, and members of the community are invited to attend to share the skills, qualities, expertise, and preferred outlook for the next Cal Poly Humboldt President. This information will be gathered and shared with the search firm to help inform and advertise the job description. The Presidential Search Committee will review resumes and make their recommendations to

the Chancellor's Office, with selection by late March 2025. We can expect a new President on campus by June or July 2025.

Mark noted that acting President Michael Spagna has expressed enthusiasm for repairing relationships on campus that were fractured in the spring and has engaged in conversations with multiple constituents across campus with this goal in mind. While these conversations can sometimes be difficult, he has reported that they are mostly positive and show signs of progress, specifically in that the campus community is engaging with each other around policies such as the CSU Systemwide Time, Place, and Manner Policy.

4. Minutes (Draft) of August 23, 2024 Meeting

Upon motion duly made (Jack McGurk), seconded (Carin Kaltschmidt), with one abstention (Jason Carlson), and otherwise unanimously carried, it was:

RESOLVED, that the Minutes of the August 23, 2024 meeting are accepted.

5. Committee Chair Reports

Carin Kaltschmidt, Chair of the Donor Intention & Fulfillment Committee, reported that at the September 27, 2024 meeting, Eileen Cashman, Chair of the School of Engineering provided Funding Impact Presentation on the recent growth within Engineering and the Gearheart Ecological Engineering Research Fund. The school launched two new Bachelor Degree programs in the Fall of 2023: Energy Systems Engineering and Mechanical Engineering, increasing the student body from 150 to 400. Construction on the new Engineering & Technology building has begun with the goal of opening for classes in Fall 2026. Emeritus Professor Bob Gearhart, who worked closely with the City of Arcata in establishing the Arcata Marsh Institute, along with his wife, Mary, make generous annual gifts as current use funds and with the pledge of a planned gift will permanently endow the Gearheart Ecological Engineering Research Fund.

The Check 5 report continues to be a great process for identifying anomalies and funds that need attention. One of the funds evaluated in this process, the Humboldt First Fund, is overspent and a plan is in place to replenish it. This fund provides scholarships to enrolled local students.

The Current Use Fund Report and Department Spending Plans are an evolving and continuous process to provide visibility and transparency regarding departments' intentions for spending donor funds.

Jason Carlson, Co-Chair of the Finance & Investment Committee, informed the committee that the Finance & Investment Committee received a review of the FYE

2024 audited financial statements, an update on the Current Market Value of Endowments, and an investment performance update for the fiscal year-to-date as of August 31, 2024. The Fund's estimated market value decreased during this period from \$51.5 million to \$51.3 million due to the annual distribution, but the estimated return was 3.39%, nearly completely offsetting the distribution.

The committee reviewed distribution scenarios and passed a resolution recommending the Board approve a 4.5% distribution for FYE 2026.

The Finance committee, in addition to the Donor committee, received an update on the Current Use Fund Report and Department Spending Plans.

Scott Hunt, Chair of the Audit Committee, reported that the Audit Committee held their annual meeting with the auditors on September 10, 2024. Moss Adams presented an unmodified (clean) opinion on the Financial Statements and found no instances of noncompliance or other matters on the GAGAS Internal Control and Compliance Report. Following the formal meeting, committee members met with the auditors in a closed executive session. As opposed to previous years and at the University's request, Moss Adams prepared the financial statements this year. While this requires them to take a deeper dive into the accounting records, they must always maintain their independence, which is accomplished by management taking responsibility for the statements.

6. Other Business

Chair Robin Smith reviewed the draft calendar of 2025 Board meeting dates, noting that the largest deviation from the last few years' calendars was to schedule regular meetings for the Finance & Investment and Executive Committees in May or June instead of August so as to review and approve a budget before the new fiscal year begins.

Ken Fulgham noted that Erin Kelly, Chair of the Department of Forestry, Fire and Rangeland Management, reached out regarding being approached by a student interested in pursuing a conversation regarding returning the land on which the Schatz Tree Farm resides to the Wiyot Nation. Ken will be meeting with the student to learn more and will report back at a later date.

8. Adjournment

Without objection, the meeting was adjourned at 10:34 AM.