

HUMBOLDT STATE UNIVERSITY FOUNDATION

MINUTES

MEETING OF THE BOARD OF DIRECTORS

FRIDAY, OCTOBER 8, 2021

9:00 AM

ZOOM TELECONFERENCE

Present:

Philip Anton
Robin Bailie
Gary Blatnick
Jay Bower
Eden Donahue
Kurt Fraese
Ken Fulgham
Jenny Harris
Scott Hunt
Dan Johnson
Carin Kaltschmidt

Jennifer Keller
Marissa Lynas
Jack McGurk
Gary Rynearson
Robin Smith
Frank Whitlatch

Absent:

Tom Jackson, Jr.
Heidi Moore-Guynup
Eric Ramos

Eri

Guests: Kyle Plitt (RVK, Inc.), Julie Maybee (RVK, Inc.), Provost Jenn Capps, VP Shahrooz Roohparvar, Dr. Shawna Young, Cyril Oberlander, Cooper Jones, Amber Blakeslee, Lynne Sandstrom, Peggy Mecham-Carlotti, Deborah Rice, Katharine Reed, Kristin Berger, Stacie Lyans, Stephanie Lane, Jamie Rich, and Angie Petroske

The Humboldt State University Foundation Board of Directors annual meeting was held on Friday, October 8, 2021, via ZOOM teleconferencing.

1. Call to Order and Roll call

The meeting was called to order by Board Chair Jenny Harris at 9:00 AM.

2. Public Comments

There were no public comments.

3. Accept Minutes of Meeting on August 27, 2021

Upon discussion and motion duly made (Jack McGurk, Ken Fulgham), seconded (Scott Hunt, Robin Bailie), and unanimously carried, it was:

RESOLVED, that the Minutes of the August 27, 2021 meeting are accepted.

4. Acknowledge Board Appointments

Members of the Board of Directors are appointed by the President of Humboldt State University.

The Board of Directors formally acknowledges these appointments:

Independent members are appointed to serve a term of three years and may be reappointed to serve a second three-year term, after which they must leave the Board for at least one year. In addition, the President is required to appoint at least one faculty, one staff, and one student member for one-year renewable terms.

Upon discussion and motion duly made (Kurt Fraese, Scott Hunt), seconded (Jay Bower) and unanimously carried, it was:

RESOLVED, that the appointment of the following individuals to the Board of Directors of the Humboldt State University Foundation by the President of Humboldt State University is acknowledged by the Board of Directors:

For a special one-year term: Heidi Moore-Guynup

For a regular three-year term: Philip Anton

University faculty, staff, students for a one-year renewable term: Eden Donahue (faculty)

5. Annual Investment Review

Kyle Plitt, RVK Investment Manager, provided information on the Endowment Investment Portfolio. RVK and the Finance & Investment Committee periodically review both total returns and volatility (i.e. Standard Deviation). Ideally the Foundation generates returns that align with the spending policy (4.4 to 4.5%), performance benchmarks, and fees; and minimize volatility. Since inception, the portfolio has generated higher returns with lower volatility than larger peer institutions.

RVK noted a fair amount of market volatility but the Foundation's decreased allocation to bond markets and increased investment in local real estate, which has provided stable income, has had a positive result. The endowment experienced nearly a 30% return after fees were paid, the highest RVK has seen since they've been managing the funds (since 2005).

The 2022 objectives are to continue Green Funds policy development and ongoing ESG manager universe evaluation, consider additional opportunities in local real estate, and conduct an annual asset allocation study and evaluation of Policy targets.

6. Endowment Distribution for FYE 2023

The purpose of an endowment is to provide a distribution each year that is both relatively consistent from year-to-year and that keeps pace with inflation. Endowment funds are governed by the State of California Uniform Prudent Management of Institutional Fund Act ("UPMIFA") which requires the Board of Directors to invest and manage the Foundation's endowment funds in order to provide a consistent level of distribution for charitable purposes while preserving the capital value of the endowment over time. In order to determine the annual endowment distribution the Board must take into account expected investment return, expected inflation, and the 1.5% service charge and balance these with the need to provide a payout amount which is meaningful to the students, programs and departments that benefit from the endowment.

The Finance and Investment Committee recommends that it is prudent to set the distribution rate for fiscal year ending 2023 at 4.5%.

After discussion and upon motion duly made (Ken Fulgham), seconded (Jay Bower), and carried unanimously, it was:

RESOLVED, that the Board of Directors approves distributions from its endowment funds for Fiscal Year Ending 2023 based upon 4.5% of the 12-quarter rolling average of market values through June 30, 2021.

7. Committee Reports

Committee chairs, the Executive Director, and University Deans (guests) provided the following meeting summaries and updates:

Scott Hunt, chair of the Audit Committee shared that the Foundation received the best possible score from the auditors, which is a “non-modified opinion.” The auditors discussed the presentation of UC funds that are held separately and new leasing standards that will potentially impact future reports. The auditors are confident in staff’s ability to gather content.

Jenny Harris, chair of the Executive Committee, shared the resolution of the action taken to transfer the property at 697 8th Street, Arcata to HSU Real Estate Holdings.

Ken Fulgham, chair of the Finance & Investment Committee reported on the recommendation to this Board to increase the distribution rate for FYE 2023 to 4.5% and provided an overview of the current market value of the endowment through June 2021. He invited everyone to attend the RVK workshops held prior to committee meetings.

Kurt Fraese, chair of the Donor Intention & Fulfillment Committee, stated there were no issues of concern discovered in the Check 5 review covering July and August 2021 and that the minor issues detected have been addressed. He shared that guest speaker Shawna Young, Dean of the College of Professional Studies, profiled the Arkley Family fund to Kinesiology and how it has helped establish the North Coast Fall Prevention and North Coast Concussion programs.

Heidi Moore-Guynup, chair of the Diversity, Equity, and Inclusion Committee, shared that she has accepted an additional 1-year appointment to the Board of Directors and has continued to lead the board in work devoted to equity.

Frank Whitlatch, Executive Director of the Foundation Board, introduced new board members Philip Anton and Eden Donahue (faculty representative). Philip lives in San Diego and graduated from Humboldt State University in 1998 while Eden is a faculty member in HSU’s Nursing program and is an alum from the University’s original Nursing program.

Cyril Oberlander, Library Dean, share a slide presentation focusing on initiatives made possible through donor funding such as the digitization of student publications, student employment in the OLLI program, the purchase of an Anatomage Table, the creation of a Boldly Forward speaker series, and an immersive 360-experience conference room.

Cooper Jones, Humboldt State University’s Athletic Director, shared that students are excited to be competing again after the covid-related hiatus. The men’s soccer program ranked 13th in the country, a first for national ranking, and women’s cross country has a potential athlete of the

year. Athletics is building a bold new vision for its athletes: graduate students, be committed and engage in the community, and win!

8. Donor and Donor Impact

Shawna Young, Dean of the College of Professional Studies, shared the presentation she made at the Donor Intention & Fulfillment Committee meeting regarding the Arkley Family gift. This \$80k transformational gift has made a lasting impact on Kinesiology undergraduate and graduate students through their work with the North Coast Concussion program and North Coast Fall Prevention program. Students were invited to the National Institutes of Health preview meeting from the Aging Institute for their research with faculty Justus Ortega.

Robin Smith, HSUF Board of Directors member, shared her story about creating a scholarship fund for the Nursing program and her recent gifts to athletics and club sports. The Robin M. Smith Athletic Facilities Special Opportunities Fund is designated to upgrade facilities and buy new equipment for training, conditioning, and rehabilitation with priority given to HSU's athletic training center, the weight room/strength training area, and the Student Recreation Center. The Robin M. Smith Club Sports Special Opportunities Fund provides annual funding to HSU's 12 sports clubs to cover costs such as equipment, gear, travel, and various club activities. Robin notes that participation in physical activity improves mental health, increases socialization, and aids in student retention.

9. Campaign Update

Associate Vice President of Development Deborah Rice and Campaign Director Kristin Berger provided an update on the progress of the Foundation's first-ever capital campaign, Boldly Rising. The campaign is currently at 50% of the \$25 million working goal, well ahead of the planned timeline. Gift Officers conducted 153 cultivation visits in the last quarter - more than double the goal.

10. Appoint Officers

The Officers of the Foundation are elected annually by the Board of Directors. Each Officer holds the office for a term of one year or until his or her successor has been elected.

After discussion and upon motion duly made (Gary Rynearson, Scott Hunt), seconded (Robin Bailie, Carin Kaltschmidt), and carried unanimously, it was:

RESOLVED, that the following are elected as Officers of the Humboldt State University Foundation to serve for a term of one year or until a successor is elected:

Chair – Jenny Harris
Vice Chair – Robin Smith
Secretary – Frank Whitlatch
Treasurer – Gary Blatnick

11. Appoint Executive Committee & Chairs of Committees

The Board of Directors appoints an Executive Committee at its annual meeting. The Bylaws delegate to the Executive Committee certain powers to act on behalf of the Board of Directors.

After discussion and upon motion duly made (Robin Bailie, Jay Bower), seconded (Ken Fulgham), and carried unanimously, it was:

RESOLVED, that the following individuals are appointed to the Executive Committee for the Humboldt State University Foundation:

Jenny Harris, Chair
Robin Smith, Vice Chair
Gary Blatnick, Treasurer
Kurt Fraese, Chair of the Donor Intention and Fulfillment Committee
Ken Fulgham, Chair of the Finance and Investment Committee
Jack McGurk, Chair of the Governance and Strategy Committee
Scott Hunt, Chair of the Audit Committee
Vacant, Chair of the Philanthropy and Advocacy Committee (*temporarily on hiatus due to campaign work; Executive Committee will convene, if needed*)
Heidi Moore-Guynup, Chair of Equity Working Group
Frank Whitlatch, Secretary and Executive Director

FURTHER RESOLVED, that in accordance with the Bylaws, the Executive Committee is delegated authority to act on behalf of Humboldt State University Foundation, except for the powers to:

- (a) set the number of Directors;
- (b) elect Directors or remove Directors without cause;
- (c) fill vacancies on the Board of Directors or on any Board Committee;
- (d) fix compensation of Directors for serving on the Board or any Board Committee;
- (e) amend or repeal the Bylaws or adopt new Bylaws;
- (f) adopt amendments to the Articles of Incorporation;
- (g) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (h) create any other Board Committees or appoint the members of any Board Committees; or
- (i) approve any merger, reorganization, voluntary dissolution, or disposition of substantially all of the assets of this corporation

12. Discuss Committee Appointments

The roster of 2022 HSUF Committee members was viewed and discussed. It was suggested a Bylaws Review Task Group be formed. Board members would like to receive a summary of each committee's charge and responsibilities.

13. Chair's Remarks

Board Chair Jenny Harris welcomed members to share topics and ideas for future discussions either here or shared privately with her and/or Frank Whitlatch, Executive Director.

14. Other Business

Frank Whitlatch thanked Gary Rynearson, past Board Chair, for his service on the Board as he is now termed out after serving an extra year. Gary will continue to chair the Real Estate Holdings group and teach at HSU.

15. Adjournment

Without objection, the meeting was adjourned at 10:37 AM.

Frank Whitlatch

[Frank Whitlatch \(Apr 11, 2022 18:56 PDT\)](#)

Frank Whitlatch
Executive Director & Secretary
HSU Foundation

Apr 11, 2022

Dated