

Cal Poly Humboldt FOUNDATION

Minutes of the EXECUTIVE COMMITTEE March 14, 2025

Members Present:

Jack McGurk, Chair

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

Mark Johnson, Executive Director & Secretary

Ken Fulgham, Co-Chair, Finance & Investment Committee

Scott Hunt, Chair, Audit Committee

Carin Kaltschmidt, Chair, Donor Intention & Fulfillment Committee

Members Absent:

Robin Smith, Immediate Past Board Chair

Guests: Mike Fisher, Kevin Furtado, Angie Petroske, and Teresa Wilmott

A regular meeting of the Cal Poly Humboldt Foundation Executive Committee was held on Friday, March 14, 2025 at 10:00 AM via Zoom Teleconference.

1. Call to Order/Roll Call

The meeting was called to order by Executive Committee Chair, Jack McGurk, at 10:01 AM.

2. Public Comments

Scott Hunt, Chair of the Audit Committee, commented that a small change in wording was made to the Audit Committee Chair report in the October 4, 2024 Minutes. The change had no effect on the facts presented.

3. Minutes (Draft) of October 4, 2024 Meeting

Upon motion duly made (Ken Fulgham), seconded (Jason Carlson and Scott Hunt, simultaneously), and unanimously carried, it was:

RESOLVED, that the Minutes of the October 4, 2024 meeting are accepted.

4. Committee Chair Reports

Carin Kaltschmidt, Chair of the Donor Intention & Fulfillment Committee, reported that during the Donor Intention & Fulfillment Committee meeting held on March 7, 2025, presentations were provided regarding a funding impact, Check 5 update, and fund updates.

Mira Friedman, MSW, Lead for Health Education and Clinic Support for Student Health and Wellbeing Services at Cal Poly Humboldt, provided a funding impact presentation on the OhSNAP! Student Food Programs. Started in 2013, Oh Snap's purpose is to increase access to nutritious and culturally appropriate food for all Cal Poly Humboldt students, valuing access, equity, justice, and community engagement. Programs include the Campus Food Pantry, a Weekly Farm Stand (Fall semester), Cooking & Gardening Classes, CalFresh Application Assistance, Pop-up Thrift Stores, Deliveries, and Food Recovery.

Travis Williams, Operations Specialist, provided a Check 5 update on randomly selected funds for September 2024 through January 2025. One error was found and corrected.

Kevin Furtado, Foundation Business Analyst, provided an update on the Current Use Funds Report process and progress as well as an update on the status of the Humboldt Loyalty Fund. This fund is the main source of unrestricted philanthropic dollars available to University Advancement and the Foundation. Due to large multi-year funding commitments, especially NCAA scholarships, this fund is currently overspent. The Advancement team has had visibility on this and is working on funding strategies to fill the gap.

Teresa Wilmott, Associate Vice President for Development, provided an update on the Humboldt First scholarship initiative and the funds being used to support it. This initiative is an integral part of recruitment to help increase local enrollment by providing \$1k per year for 4 years for first-time students or \$2k per year for students transferring from College of the Redwoods. This fund is auto-awarded and is open to students from Humboldt, Del Norte, Mendocino, and Trinity counties. Several endowments have been rolled into Humboldt First to be used for these scholarships and the Development team is working with individual donors to increase funding, specifically in hopes of creating new endowments so that annual pleas would no longer be necessary.

Ken Fulgham, Co-Chair of the Finance & Investment Committee, reported that since the annual Board meeting in October, the Finance & Investment Committee has met for two RVK Finance "Workshops" and one Committee meeting.

Quarterly Investment Performance reports were provided at each workshop, in addition to a Real Estate Manager Search analysis. As of December 2024, the rate of return on the Foundation's investments was 2.70% for an ending market value of \$51,444,956.00 for the 2nd Quarter and asset allocations were in compliance with the target allocations.

With the pending sales of two properties, RVK presented recommendations (4) for a new Real Estate Manager in order to keep the Foundation's allocation to real estate within its target range. After thoughtful discussion, the committee passed a resolution to commit up to \$4.5 million to Harrison Street Core Property Fund as an additional real estate manager.

Scott Hunt, Chair of the Audit Committee, had nothing to report at this time.

5. Executive Directors Report

Executive Director Mark Johnson provided the following updates to the Committee:

- The new Cal Poly Humboldt president is expected to be announced during the March 26, 2025 CSU Board of Trustees meeting.
- The Governor's proposed state budget included a \$375M cut to CSU system which translates to a \$13M reduction to Cal Poly Humboldt. Discussions are underway regarding how each division will accomplish their portion of the cut, with each area presenting 5- 7- and 9% reduction proposals detailing the level of impact these cuts would make.
- A hiring chill has been implemented, raising the bar for hiring and requiring Vice President approval for each position.
- A Voluntary Separation Incentive Program (VSIP) will be put into effect the first week of April - the intent of which is to provide a voluntary window through which folks close to retirement or otherwise want to depart can separate with a paid 6 month's salary, thus opening positions to help solve budget reductions and possibly prevent layoffs.

6. Board Member Candidates

Executive Director Mark Johnson shared background information with the committee about the three candidates being considered for appointment to the Foundation Board. If approved by this committee, the new members would be acknowledged by the full board at the March 28, 2025 meeting after Interim President Spagna officially appoints them.

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

RESOLVED, that the Cal Poly Humboldt Foundation Executive Committee recommends University Interim President Spagna appoint the following candidates to the Cal Poly Humboldt Foundation Board for a standard 3-year term:

Sherman Schapiro (starting April 1, 2025)

John Ballard (starting June 1, 2025)

Dan Phillips (starting June 1, 2025)

7. Board Member Minimum Annual Donation

Executive Director Mark Johnson discussed with the committee formalizing an annual minimum donation for Independent Directors of the Cal Poly Humboldt Foundation Board. It was noted that this requirement is common among boards at higher education institutions. A possible value to consider is \$9,500, which is the cost of an in-state student's tuition and fees for one year, donated to the Humboldt Loyalty Fund, where it could be deployed to students with the greatest need. No action was taken at this time; the discussion will continue at the full board meeting on March 28, 2025.

8. Hoopa Guarantee Scholarship

Associate Vice President of Development, Teresa Wilmott, shared with the committee that the Foundation received a gift in October 2024 to establish a scholarship fund to be used for loans to Hoopa students. Should circumstances warrant it, the gift language allows for adjustment of the terms by the Board of Directors. After discussions with Dr. Chrissy Holliday, the Vice President of Enrollment Management & Student Success, Adrienne Colegrove-Raymond, Special Assistant to the President for Tribal & Community Engagement, the donor's attorney, and the donor's next of kin, the recommended course of action is to amend the gift terms to apply to scholarships instead of to loans.

After discussion and upon motion duly made (Scott Hunt), seconded (Ken Fulgham), and unanimously carried:

WHEREAS the estate gift received by the Foundation in October 2024 to establish the Mariam G. Graham Endowed Scholarship states it should be used for "loans to native Hoopa Indian students enrolled at Humboldt State University" and further states that "if, in the judgment of the Trustees [Cal Poly Humboldt Foundation Board], changed circumstances should at some future time render the designated use of this Fund no longer appropriate, then the Trustees shall continue to use the Fund as an endowment to further the general objects and purposes of Humboldt State University," and

WHEREAS the original donors are no longer living and communications with living relatives have been unsuccessful,

THEREFORE BE IT RESOLVED that the Cal Poly Humboldt Foundation Executive Committee recommends to the Foundation Board approval of amending the gift terms of the Mariam G. Graham Endowed Scholarship to apply to scholarships instead of loans, and

WHEREAS the existing distribution policy would delay the distribution of funds until after a full investment cycle, and

WHEREAS the University intends to launch a scholarship initiative in Fall 2025 called the Hoopa Guarantee wherein scholarships will be awarded to all Hoopa students who are federally enrolled Hoopa tribal members,

THEREFORE BE IT FURTHER RESOLVED that the Cal Poly Humboldt Foundation Executive Committee recommends to the Foundation Board approval of a special exception to the existing distribution policy for this fund to allow for partial early payment of funds, starting in Fall 2025.

9. Other Business

Executive Director Mark Johnson informed the committee that there will be a presentation at the full board meeting on March 28, 2025 regarding the Schatz Tree Farm property. The property is currently owned by the Foundation, but the Real Estate Holdings (REH) Board of Directors recommends transferring it to REH. The Foundation Finance & Investment Committee is in support of this transfer.

10. Adjournment

Without objection, the meeting was adjourned at 11:29 AM.