

Cal Poly Humboldt FOUNDATION

MINUTES of the BOARD OF DIRECTORS

Friday, March 22, 2024 at 10:00 AM

Humboldt Bay Aquatic Center, Room 203
Eureka, CA

Members Present:

Robin Smith, Chair
Jack McGurk, Vice Chair
Jason Carlson, Treasurer
Frank Whitlatch, Executive Director &
Secretary
Tom Jackson, Jr.
Carla Ho'a
Eden Donahue
Ken Fulgham
Scott Hunt
Carin Kaltschmidt
Jennifer Keller

Members Absent:

Jordan Kemme
Philip Anton
Robin Quigley

Guests: Amber Blakeslee, Jeff Crane, Kevin Furtado, Stephanie Lane, Stacie Lyans, Heidi Moore-Guynup, Cyril Oberlander, Angie Petroske, Nick Pettit, Samantha Puentes, Jamie Rich, Eric Riggs, Guido Setton, Connie Stewart, Travis Williams, Teresa Wilmott, Robert Yunker

A Cal Poly Humboldt Foundation Board of Directors meeting was held on Friday, March 22, 2024 at 10:00 AM in Room 203 of the Humboldt Bay Aquatic Center in Eureka, CA.

1. Call to Order/Roll Call

The meeting was called to order by Board Chair, Robin Smith, at 10:04 AM.

2. Public Comments

There were no public comments.

3. Acceptance of Minutes from the October 20, 2023 Meeting

Upon motion duly made (Jennifer Keller), seconded (Carin Kaltschmidt) and unanimously carried, it was

RESOLVED, that the Minutes of the October 20, 2023 meeting are accepted.

4. Chair's Remarks

Cal Poly Humboldt President Tom Jackson, Jr. acknowledged the accomplishments of the rowing team, which recently celebrated 50 years and had started as a small club. It is now a leading team in the United States at our level. A gift commitment by a previous coach, Robin Meiggs, helped to cultivate and raise awareness and funds for athletics and rowing, in particular.

The City of Arcata and Cal Poly Humboldt collaborated on applying-for and were awarded a \$150 million grant to be used for the Reconnecting Arcata project. This project seeks to address mobility, accessibility, and equity challenges by improving passageways between the town and the University.

This year's international service learning program recently concluded, with nearly double the student attendees from last year. The initial location was the Philippines, but Mexico was added this year and a potential third or fourth location may be added in the future. This program is jointly funded through grants, Associated Students and Cal Poly Humboldt.

5. Acknowledge Board Appointment – University CFO

Members of the Board of Directors are appointed by the President of Cal Poly Humboldt. 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 motion duly made (Scott Hunt), seconded (Ken Fulgham) and unanimously carried, it was:

RESOLVED, that the appointment of the following individual to the Board of Directors of the Cal Poly Humboldt Foundation by the President of Cal Poly Humboldt is acknowledged by the Board of Directors:

For a renewable one-year term:
University Chief Financial Officer

6. Designate Board Chair as Real Estate Holdings Member

Frank Whitlatch, Executive Director, related to the Board that it would be prudent to have a more formal connection between the Foundation Board of Directors and the Real

Estate Holdings (REH) Board of Directors. Per REH's Bylaws, the Foundation Board designates members to the REH Board. Designating the Foundation Board Chair as a member of the REH Board would solidify this formal connection.

After discussion and upon motion duly made (Ken Fulgham), seconded (Eden Donahue), with one abstention (Robin Smith), and otherwise unanimously carried, it was:

RESOLVED, that, as the Designator for Cal Poly Humboldt Real Estate Holdings (REH) per their bylaws, the Cal Poly Humboldt Foundation Board of Directors (Board) hereby designates the Board Chair as a member of REH for a three-year term, effective immediately.

7. Committee Reports

Carin Kaltschmidt, Chair of the Donor Intention & Fulfillment Committee, reported that during the committee meeting on March 1st, 2024, Arne Jacobson, Director of the Schatz Energy Research Center (SERC) and Cal Poly Humboldt alum, shared a funding impact presentation. SERC conducts applied research and analysis in multiple areas of renewable energy and climate change resilience and has worked with partners to develop renewable energy microgrids, leading to a multi-million dollar statewide microgrid program. SERC is also a leader in research and analysis related to offshore wind development on the U.S. West Coast.

There were no significant findings across 20 accounts included in the Check 5 review September through December, 2023. Partnering this review with the new current use spending report, the Advancement team can proactively ensure departments understand the nature of their funds and their interactions with endowments.

Beginning in Fall 2023, each area of campus was provided a new monthly Current Use Funds Report and leadership was asked to provide written annual spending plans for each unique fund with a cash balance of \$10,000 or more. This new process requires proactive planning on how to best spend donated funds, provides more accurate information on anticipated unused cash balances, allowing for increased short-term investment gains, and makes donor impact information more readily available.

Scott Hunt, Chair of the Audit Committee, had nothing to report at this time other than the auditing firm, Moss Adams, has been retained and is engaged in the audit process. An Audit Committee meeting will be held in September to review the completed audit.

Jason Carlson, Co-Chair of the Finance & Investment Committee, reported that the committee received an investment portfolio update from Kyle Plitt, RVK Investment Advisor, covering fiscal year-to-date performance July 1, 2023 through February 21, 2024. The Fund's estimated market value has increased from \$48.1 million (6/30/23) to \$49.4 million (2/21/24), reflecting a 6.4% estimated return. Kyle stated that the Foundation's asset allocations are currently within the allowable range, but will review the allocation to real estate in light of the recent property sales to the state and may make a recommendation for a new real estate manager and potential allocation adjustments.

RVK is also keeping an eye on Boston Commons, a manager who is currently underperforming but has only been in the Foundation's portfolio a short time.

The committee also received an update on the progress of the short-term investment project, in which \$8.2 million (including \$4.9M from our LAIF investment account and \$3.3M from our cash account) has been transferred into the new short-term investment account. With an estimated interest rate of 4.5%, the projected one-year earnings on \$8.2 million will be \$369,000.

Robin Smith, Chair of the Executive Committee, reported that the committee approved a resolution recommending the Board adopt the 2024-27 strategic plan. The committee also entered a closed session regarding transfer of ownership of a Foundation property.

8. Executive Director's Report

Frank Whitlatch, Executive Director, shared with the Board that a special closed-session joint meeting including the Finance & Investment Committee, the Executive Committee, and Real Estate Holdings will occur next week to discuss property.

He shared some statistics from Cal Poly Humboldt's first-ever capital campaign, Boldly Rising:

- The University has seen two of the best fundraising years to date
- Total commitments to the endowment are over \$20 million
- The endowment itself has grown from \$30 million to \$45 million
- 11 of the 25 largest gifts ever to the University occurred over last 4 years
- The average donor made more than 4 gifts
- 63% of donors made their largest gift ever
- The average gift prior to the campaign was \$342.45, whereas during the campaign, it became \$1,225.81

Lastly, Frank reviewed the draft Cal Poly Humboldt Foundation Funding Flow chart, illustrating the movement of funds into, within, and out of the Foundation, and provided an explanation of the new scholarship distribution process which will be implemented shortly.

9. Strategic Plan Adoption

Robin Smith, Chair, shared with the Board that the previous Board Chair, Jenny Harris, conceived the idea to create a strategic plan for the Foundation Board so as to provide guidelines for future Board decisions. The Strategic Planning Effort was led by Heidi Moore-Guynup and Kurt Fraese.

Heidi Moore-Guynup, Co-Leader of the Strategic Planning Effort, reviewed the process used to create the Foundation Board Strategic Plan 2024-27, including how over 100 cumulative hours were spent gathering data in a variety of ways and aligning values with both the Boldly Rising campaign and the University's strategic plan, while taking into consideration external forces such as the economy, the environment, and technological innovations. The Strategic Plan uses intentional language through a

Diversity, Equity, and Inclusion (DEI) lens to define 4 strategic foci, each with actionable items:

- Charitable Giving and Donor Engagement
- Board Development
- Environmentally and Socially Responsible (ESR) Investing
- Property Investing

After discussion and upon motion duly made (Jack McGurk), seconded (Scott Hunt), and unanimously carried, it was:

RESOLVED, that the Cal Poly Humboldt Foundation Board of Directors accepts the recommendation from the Executive Committee to adopt the 2024-27 Strategic Plan, acknowledging it as a living document that should be amended and modified as needed over time.

10. Campaign Update

Frank Whitlatch, Executive Director, provided a Boldly Rising campaign update. He reviewed the monthly activity report for February 2024, dictating it is likely we will surpass 10k donors soon. Campaign reporting has kept gifts transparent and encourages continued engagement and forward momentum. We will celebrate the successful completion of the campaign during Lumberjack Weekend in the fall semester, after initiating the quiet phase of the next campaign over the summer.

As a result of the campaign, investment in development efforts, and the growth of the endowment, the CSU has moved Cal Poly Humboldt into the tier 2 peer group. We are now being compared to campuses with larger fundraising programs, and we are already sitting in the middle of the pack.

11. Other Business

Eric Riggs, Dean of the College of Natural Resources & Sciences, provided a presentation on the University's new research vessel to replace the R/V Coral Sea, to be completed in November of this year. The catamaran-style boat will be 78-feet long, and will be wider, faster, and more fuel efficient than the current vessel, expanding the range of research opportunities. The vessel will be purpose-built for both research and students, will contain crew quarters, and will be designated as a passenger vessel, allowing for group tours with a total capacity of about 40 persons.

12. Adjournment

Without objection, the meeting was adjourned at 11:44 AM.



Mark Johnson
Executive Director & Secretary
Cal Poly Humboldt Foundation

Sep 10, 2024

Dated