Minutes of the
EXECUTIVE COMMITTEE
September 19, 2025

Members Present:
Jack McGurk, Chair
Jason Carlson, Treasurer & Co-Chair, Finance & Investment Committee
Steve Karp, Executive Director & Secretary
Robin Smith, Immediate Past Board Chair
Ken Fulgham, Co-Chair, Finance & Investment Committee
Scott Hunt Chair, Audit Committee
Carin Kaltschmidt, Chair, Donor Intention & Fulfillment Committee

Members Absent:
none

Guests: Mike Fisher, Kevin Furtado, Angie Petroske, Jamie Rich, and Travis Williams

A regular meeting of the Cal Poly Humboldt Foundation Executive Committee was held on Friday, September 19, 2025 at 9:00 AM via Zoom Teleconference.

1. Call to Order / Land Acknowledgement / Roll Call

    The meeting was called to order by Executive Committee Chair Jack McGurk at 9:02 AM.

2. Public Comments

    Ken Fulgham, Co-Chair of the Finance & Investment Committee, shared that the Council of American Indian Faculty & Staff (CAIFS) is in the process of developing a new land acknowledgement.

3. Minutes (Draft) of August 1, 2025 Special Meeting

    Upon motion duly made (Ken Fulgham), seconded (Robin Smith), with one abstention (Scott Hunt), and otherwise unanimously carried, it was:

    RESOLVED, that the Minutes of the August 1, 2025 special meeting are accepted.

4. Committee Chair Reports

Carin Kaltschmidt, Chair of the Donor Intention & Fulfillment Committee, reported that the meeting scheduled for September 12, 2025 was canceled due to the lack of a funding impact presentation. The Check 5 report was distributed electronically and showed no significant findings.

Ken Fulgham, Co-Chair of the Finance & Investment Committee, reported that during the September 12, 2025 meeting, Kyle Plitt, RVK Investment Advisor, shared that the highest year-to-date returns are coming from investments in international stocks. Returns from the small cap sector are low and are likely most affected by tariff policies on small businesses. The committee received a presentation on the 2025 draft fiscal year-end financial statements and the current market value of endowments as well as reviewed distribution scenarios. Based on last fiscal year's greater than 10% rate of return, the committee passed a resolution recommending the Board adopt a 4.5% distribution rate for FYE 2027. Lastly, two actions were taken in closed session regarding property.

Scott Hunt, Chair of the Audit Committee, reported that he met with Executive Director Steve Karp to review the draft audited financial statements for the fiscal year ending June 30, 2025 prior to the committee meeting on September 17, 2025, during which the auditors from Baker Tilly shared a presentation on their audit findings. The auditors 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. The committee passed a resolution to accept the draft financial statements and audit report with only minor clarifications and typos to be adjusted before the final report is released. Following the formal meeting, committee members met with the auditors in a closed executive session (no University staff). For the second year, Baker Tilly prepared the financial statements in addition to performing the audit. 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.

5. Executive Director's Report

Executive Director Steve Karp, recommended reactivating the Philanthropy & Advocacy Committee (currently on hiatus) during the October 3, 2025 annual Board of Directors meeting in order to have a dedicated committee focused on donations and campaign planning.

6. Revised Gift Acceptance Policy

Travis Williams, Advancement Operations Lead, reviewed changes made to the Foundation's Gift Acceptance Policy, which was last revised in 2011. A review of the policy was initiated due to the Foundation's name change and was expanded due to the discovery of outdated and unnecessary content. Changes include:

- Creating an evergreen document that references current CSU guidelines and CASE standards rather than restating them within the document so that when they are updated, our policy also remains updated.
- Removing operational steps for how to process gifts that are instead included in the Policies, Guidelines, and Procedures internal-use document (colloquially known as the MegaDoc). This change allows for process improvement without needing to update the policy, which focuses on what the Foundation is and what types of gifts are accepted.
- Clearly defining the minimum make-up and role of a gift acceptance ad-hoc committee and the conditions under which one should be formed.

After discussion and upon motion duly made (Robin Smith), seconded (Carin Kaltschmidt), and unanimously carried, it was:

> RESOLVED, that the Cal Poly Humboldt Foundation Executive Committee approves the revised Cal Poly Humboldt Foundation Gift Acceptance Policy, dated September 19, 2025.

7. <u>Establish Fee Reduction Policy</u>

Executive Director Steve Karp stated this agenda item is to be a discussion item only, instead of an action item, as noted on the agenda. He informed the committee that currently no explicit policy exists within the Foundation allowing for a deviation from the standard 5% fee on gifts received. A draft policy will be brought forth to the Finance & Investment Committee for review and modification, if needed. Once finalized, the Finance committee will make a recommendation to adopt the policy.

8. <u>Other Business</u>

No other business was discussed.

The Committee moved into closed session at 9:37 AM to discuss property.

9. <u>Closed Session: Property</u>

Mike Fisher, Acting Vice President of Administration & Finance, shared information about a new property opportunity.

The committee returned to open session at 10:10 AM. Committee Chair, Jack McGurk, reported that actions regarding real estate were taken during the closed session.

10. <u>Adjournment</u>

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