



*The Foundation for  
California State University, San Bernardino*

**BOARD OF DIRECTORS MEETING  
June 8, 2006 --- 4:00 p.m. \*  
Foundation Board Room**

**PROPOSED AGENDA**

**OPEN SESSION**

- |    |                             |        |
|----|-----------------------------|--------|
| A. | Call to Order/Introductions | Teyber |
| B. | Welcoming Remarks           | Karnig |

**ACTION ITEMS**

- |    |   |         |
|----|---|---------|
| C. | Approval of Minutes from March 16, 2006 Directors Meeting | Teyber  |
| D. | Approval of 2006-2007 Budget                              | DeMauro |
| E. | Accounting Services Agreement                             | DeMauro |
| F. | Appointment of Board Members for 2006-2007                | DeMauro |
| G. | 2006-2007 Board and Committee Meeting Dates               | DeMauro |
| H. | Re-Investment of Endowment Funds                          | DeMauro |

**INFORMATION ITEM:**

- |    |                      |         |
|----|----------------------|---------|
| I. | Treasurer's Report   | DeMauro |
| J. | Committee Reports*   |         |
| 1. | Investment Committee | Gorian  |

- |    |   |               |
|----|---|---------------|
| K. | Fundraising Activities                      | Aguilar       |
| L. | Palm Desert Health Sciences Building Report | DeMauro       |
| M. | Common Management System (CMS) Report       | Takehara/Vita |

\* In lieu of committee presentations, minutes of Foundation Standing Committees are provided with the agenda.

Hors d'oeuvres will be served

**Distribution:** Aguilar, Bayless, Carson, Chang, Chen-Maynard, DeMauro, Diaz, Fernandez, Fullerton, Gorian, Jackson, Karnig, Obershaw, Rincon, Savage, Teyber, Ball, Burns, Calderon, Ruzak, Stanley, Iannolo, Takehara

**Agenda Item A --- CALL TO ORDER**

**June 8, 2006**

**Call to Order/Introductions**

Dr. Ed Teyber, Board President, will conduct introductions of Board members and guests.

**Agenda Item B --- WELCOME**

**Welcoming Remarks by Chairman Karnig**

Chairperson Karnig will provide a report to the Board on current issues regarding the Foundation and the University.

**Agenda Item C --- ACTION**

**Approval of Minutes of March 16, 2006, Directors Meeting**

**RECOMMENDATION:**

It is recommended that the Board approve the attached minutes of the December 8, 2005, Board of Directors meeting.

**Agenda Item D – ACTION**

**June 8, 2006**

**Approval of 2006-2007 Budget**

**RECOMMENDATION:**

It is recommended that the Board of Directors adopt the attached budget for FY 2006-2007 as proposed.

**BACKGROUND:**

Foundation staff have prepared an estimate of the revenues and expenditures for the 2006/2007 budget year. The estimates are based upon factual information of prior years' performance and anticipated projections. The information is provided in summary form, along with notes to accompany major changes in the budget.

The Executive Committee recommended at its June 8, 2006, meeting to approve adoption of the proposed budget for FY 2006-2007.

**Accounting Services Agreement**

**RECOMMENDATION:**

It is recommended that the Board approve a contract between the Foundation and CSUSB, in which CSUSB would provide typical accounting services for the Foundation.

**BACKGROUND:**

The Foundation has been using an antiquated accounting system for many years. The system is being updated to the same system which is used by the University. It has also been noted that the Foundation depends upon a small accounting department to perform all of the accounting functions needed for major operations. It is anticipated that lower cost and less risk would be generated if the University were to provide accounting services for the Foundation on a contract for services basis. A simple agreement has been drafted for approval by the Board to begin the delivery of accounting services from the University beginning July 1, 2006.

The Executive Committee recommended at its May 25, 2006, meeting to approve the contract between the Foundation and CSUSB for the provision of accounting services for the Foundation.

**Appointment of Board Members for 2006-2007**

**RECOMMENDATION:**

It is recommended that the Board approve the following appointments or re-appointments to the Board of Directors of the Foundation for CSUSB:

*Ms. Glenda Bayless, Community Member, to be re-appointed for a term of three years for the period 7/1/06 through 6/30/09. (pending acceptance)*

Mr. George Gorian, Community Member, to be re-appointed for a term of three years for the period 7/1/06 through 6/30/09.

Mr. Rex Jackson, Community Member, to be re-appointed for a term of three years for the period 7/1/06 through 6/30/09.

Mr. Phil Savage, Community Member, to be re-appointed for a term of three years for the period 7/1/06 through 6/30/09.

Dr. Dorothy Chen-Maynard, Faculty Member, to be re-appointed for a term of two years for the period 7/1/06 through 6/30/08.

Dr. Darleen Stoner, Faculty Member, to be appointed for a term of two years for the period 7/1/06 through 6/30/08.

Mr. Anthony Conley, Student Representative, to be appointed to a term as Ex-Officio Director representing Associated Students, Inc.

*[Replace Community Member Stephan Saleson due to 3-16-06 resignation from Board]*

**BACKGROUND:**

The Foundation Bylaws provide for the appointment of ex-officio Directors for the term of their qualifying office. Community Directors are nominated by the University President and elected by the Board of Directors to serve three-year terms. Faculty Directors will serve two-year terms and are recommended by the Faculty Senate, nominated by the University President, and elected by the Board of Directors.

The Executive Committee recommended at its May 25, 2006, meeting to approve the proposed appointments or reappointments to the Board of Directors.

**2006-2007 Board and Committee Meeting Dates**

**RECOMMENDATION:**

It is recommended that the Board approve the proposed dates for the 2006-2007 schedule of meetings for the Foundation Board of Directors, Executive Committee, and Standing Committees.

**BACKGROUND**

It has been the practice that the Board of Directors approve the dates for meetings of the Board of Directors, Executive Committee, and Standing Committee in advance of the next fiscal year to assist Board and Committee members with calendar management.

The Executive Committee recommended at its May 25, 2006, meeting to approve the proposed dates for 2006-2007 meetings of the Foundation Board of Directors, Executive Committee, and Standing Committees.

## PROPOSED MEETING DATES

### FOUNDATION BOARD AND COMMITTEE MEETINGS 2006-2007

#### Foundation Board of Directors

Thursday, September 21, 2006	4:00 p.m.	Foundation Board Room
Thursday, December 7, 2006	4:00 p.m.	Foundation Board Room
Thursday, March 15, 2007	4:00 p.m.	Foundation Board Room
Thursday, June 7, 2007	4:00 p.m.	Foundation Board Room

#### Executive Committee

Thursday, September 14, 2006	12:00 noon	Foundation Board Room
Thursday, November 30, 2006	12:00 noon	Foundation Board Room
Thursday, March 8, 2007	12:00 noon	Foundation Board Room
Thursday, May 31, 2007	12:00 noon	Foundation Board Room

#### Investment Committee

Wednesday, September 6, 2006	3:00 p.m.	George Gorian's Office
Wednesday, November 15, 2006	3:00 p.m.	George Gorian's Office
Wednesday, February 28, 2007	3:00 p.m.	George Gorian's Office
Wednesday, May 23, 2007	3:00 p.m.	George Gorian's Office

#### Commercial Enterprises Committee

Thursday, September 7, 2006	12:00 noon	Foundation Board Room
Thursday, November 16, 2006	12:00 noon	Foundation Board Room
Thursday, March 1, 2007	12:00 noon	Foundation Board Room
Thursday, May 24, 2007	12:00 noon	Foundation Board Room

#### Sponsored Programs Administration Committee

Thursday, August 31, 2006	12:00 noon	Sierra Hall, Room 126
Thursday, November 9, 2006	12:00 noon	Foundation Board Room
Thursday, February 22, 2007	12:00 noon	Foundation Board Room
Thursday, May 17, 2007	12:00 noon	Foundation Board Room

#### Audit Committee

Tuesday, June 20, 2006	12:00 noon	Foundation Board Room
Tuesday, September 19, 2006	12:00 noon	Foundation Board Room

#### Development Committee

Pending

**Re-Investment of Endowment Funds**

**RECOMMENDATION:**

It is recommended that the Board endorse the action of the Investment Committee to remove \$1 million which was invested with Davis Hamilton Jackson & Associates and re-invest the funds with investment management firm Neuberger Berman.

**BACKGROUND:**

In a prior Board action, the Board granted authority to the Investment Committee to make decisions regarding investments of the Foundation's endowment account. At the March 9, 2006, meeting of the Investment Committee, investment advisor Paul Sanit recommended to the Investment Committee that \$1 million be removed from Davis Hamilton Jackson & Associates and re-invest the funds with Neuberger Berman. The reason for the recommendation was that Davis Hamilton's performance had been lagging the benchmark. The Investment Committee agreed to do so by unanimous vote. The action was taken on April 6, 2006, and this item is now being presented to the Board for endorsement.

The need for approval of this agenda item was identified after the Executive Committee meeting on May 25, 2006. Therefore, the Foundation Treasurer recommends that the item be placed on the agenda for approval by the Board to request endorsement of the action of the Investment Committee to remove \$1 million from Davis Hamilton Jackson & Associates and re-invest the funds with investment management firm Neuberger Berman.

**Agenda Item I – INFORMATION**

**June 8, 2006**

**Treasurer's Report**

**BACKGROUND:**

No action required. David DeMauro, Treasurer, will update the Board regarding the status of Foundation finances.

**Agenda Item J – INFORMATION**

**June 8, 2006**

**Committee Reports**

**BACKGROUND**

George Gorian, Chair, will provide an update report on the Foundation Investment Committee.

In lieu of presentations to the Board of Directors, drafts of minutes of all other Foundation Standing Committees are provided with the agenda for review.

**Agenda Item K – INFORMATION**

**June 8, 2006**

**Fundraising Activities**

**BACKGROUND:**

William Aguilar, Vice President for University Advancement, will provide an update on the status of development and fundraising activities.

**Palm Desert Health Sciences Building Report**

**BACKGROUND**

David DeMauro, Treasurer, will provide a report of the status of fundraising activities for the third facility at the Palm Desert Campus. Approval was granted by the CSU Board of Trustees on May 16, 2006, to name this facility the Palm Desert Health Sciences Building.

**Agenda Item M – INFORMATION**

**June 8, 2006**

**Common Management System (CMS) Report**

**BACKGROUND:**

Bill Takehara, Assistant Treasurer, and Muriel Vita, CMS Finance Lead, will provide a report on the status of the conversion of the Foundation financial administrative system to the Common Management System (CMS).