



CAL POLY Foundation

EXECUTIVE COMMITTEE MEETING

January 29, 2021
Teleconference

MINUTES

Committee Members Present:

Mike Applegate
Jeff Armstrong

Marc Benadiba
John Ronca

Bill Swanson
Bob Wacker

Committee Members Absent:

Chuck Harrington

Stan Van Vleck

Staff:

Stacy Cannon
Aaron Curti

Jessica Darin
Ericka Horn

Adam Jarman
Lisa Rockwell-Harpster

Call to Order and Attendance

Chair Bill Swanson called the meeting to order and welcomed members. Mr. Swanson announced a quorum of directors' present, and that the meeting, having been duly convened, was ready to proceed.

Approval of Minutes

Mr. Swanson asked members for corrections to the November 3, 2020, Executive Committee meeting minutes. None were recorded, a motion was made and seconded and approving to adopt the minutes.

Committee Reports

Governance

In the absence of the Governance Committee Chairman, Stan Van Vleck, Interim Vice President for Development & Alumni Engagement Jessica Darin reported on behalf of the Governance Committee. Ms. Darin reported that the Governance Committee met on January 14, 2021. Ms. Darin noted Mr. Lloyd Dean, CEO of CommonSpirit Health, attended the November meeting as a guest. Mr. Dean has confirmed with Chair Swanson and President Armstrong, his willingness to serve on the board. Ms. Darin noted the

next step in the process is to formally vote on his membership to an initial term of three years. The Governance Committee has already approved the draft slate of director. Darin asked members for further discussion prior to moving to approve the draft slate of directors. Accordingly, a motion was made, seconded, and approved to adopt the minutes.

Chair Bill Swanson noted that with the addition of Jim Marderosian and Scott Gaudineer, engagement at the committee level is important. Mr. Marderosian would like to serve on Investment and Mr. Gaudineer prefers to serve on Development. Chair Swanson noted that he has reviewed these preferences with the respective committee chairs and they are in full agreement that they will be great additions to these committees. This updated roster serves to establish official voting members for purposes of quorum.

Audit

Committee Chair Applegate reported that the Audit Committee meeting previously scheduled for February 4, 2021, will be rescheduled in March. The meeting will be to approve the Tax Form 990 and review the budget process timeline.

Review of Quarterly Financial Statements

Treasurer Marc Benadiba reviewed highlights from the Quarterly Financial Report for the period, the Foundation's deferred inflows and net position was \$399.0 million at December 31, 2020. This is an increase of \$32.0 million from June 30, 2020 and was primarily due to market value gains.

Endowment investments increased to \$257.6 million at December 31, 2020, an increase of \$33.8 million (15.1%) compared to the June 30, 2020 balance of \$223.8 million. The increase was primarily due to market value gains of \$34.8 million, income of \$3.9 million, and additional gifts and transfers to the endowment of \$4.2 million. Payouts were \$5.3 million and fees \$1.9 million.

As of December 31, 2020, the Foundation managed 955 endowments, which are managed in a unitized investment pool. There were 947 endowments at June 30, 2020. Of the \$257.6 million endowment investment assets, \$257.6 million was actively invested in the endowment investment pool.

At December 31, 2020, the Foundation had cash deposits of \$79.6 million held at Wells Fargo Bank, compared to \$65.5 million at June 30, 2020. The increase in cash is due to cash requirements for building projects getting under way. University Development support payments of \$1,457,000 were \$309,000 less than the prior year. The decrease was due to open University Development positions left vacant as a result of the budget review process.

Investment

Investment Committee Chair Bob Wacker reported that the endowment return for the quarter, was 11.6% (net of fees), compared to a return of 11.1% for its benchmark.

Development

Committee Chair John Ronca called attention to the Productivity Report beginning on page 10 of 19. As of December 31, 2020, total productivity for the fiscal year was \$16.5 million, up from \$3.9 million at September 30, 2020. A total of \$12.6 million was raised in the second quarter, highlighted by a strong December which saw \$7.3 million raised. Total productivity of \$16.5 million is 23.61% of the \$70 million annual goal. Regarding Giving by entity, the most striking change year over year is the uptick in this year's giving from "Friends". Through the second quarter of 2021, "Friends" gave \$2.6M vs. \$0.9M last year Corporate giving, as a percentage of giving, is up significantly this year, 30% this year vs. 14% last year. Referring to page 5 of the Productivity Report, Mr. Ronca noted Cultivation contacts have held steady at 30% year over year. Discovery contacts have fallen 7% from 38% last year to 31% this year. Stewardship contacts are up 5%. Limitations due to COVID-19 restrictions, have created a virtual environment contributing to why Discovery is down and Stewardship. Development officers continue to face challenges with getting new visits but are having success in reaching out to existing relationships. On page 6 of the Productivity Report, a summary of Annual Giving shows a strong first half of the year. The team continues to leverage crowd funding which is seeing some of our largest growth in both dollars and donors. Telemarketing is down but the other categories have compensated for this with strong performance. Cal Poly Annual Giving is continuing the five-year growth trend with the best year yet at the midpoint of this fiscal year.

CEO Report & University Update

President Armstrong provided an overview of Cal Poly's recent COVID testing requirements for on-campus and off-campus students. He noted that pre-arrival testing was very effective, and Winter Quarter Testing is continuing as expected. President Armstrong has released a Presidential Order Update requiring students under certain circumstances to be tested twice a week. President Armstrong also mentioned Vaccine updates, noting that a Cal Poly representative is working with SLO County Public Health.

Review Draft Agenda

Chair Swanson asked for comments or changes to the February 6, 2021, the Board of Directors Meeting agenda. No further comments were recorded; accordingly, a motion was made and seconded to approve the agenda.

Adjournment

With no further business to discuss, the meeting adjourned at 5:09 p.m.

Respectfully submitted,


William H Swanson (May 5, 2021 15:55 PDT)

William H. Swanson
Executive Committee Chair
Cal Poly Foundation Board


BOD Meeting Minutes (2/6/21) & Executive Committee Meeting Minutes (1/29/21)


Final Audit Report


2021-05-05


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"BOD Meeting Minutes (2/6/21) & Executive Committee Meeting Minutes (1/29/21)" History

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