

CAL STATE EAST BAY

CSU East Bay Foundation, Inc.

Board Meeting Minutes

May 23, 2024 / 2:00 PM - 3:00 PM

via ZOOM Meeting

Members Present:

Evelyn Buchanan, Chair; Kimberly Greer, Interim Vice Chair; Myeshia Armstrong, Secretary – Treasurer; Kim Huggett, Community Director; Chandra Khan, ORSP Director; Nolan Calara, Student Director; Erick Kong, Faculty Director; Michael Lerma, Faculty Director; and Kushal Sheshadri, Student Director.

Members Not Present:

None

Staff and Guests Present:

May Hernandez, Director, University Advancement
Audrey Katzman, Interim Chair, Foundation Audit Committee
Nicole Yu, University Controller, General Accounting
Dwyla Jourdan, Executive Assistant to Vice President Armstrong, A&F
Daniel Tichenor, Investment Consultant, Morgan Stanley

Call to order: 2:01 p.m.

- 1. Call to Order / Approval of Agenda** Buchanan called the meeting to order and reviewed the agenda with the board. ***Agenda approved-Motion Erick Kong, Second Kim Huggett***

- 2. Approval of Minutes from March 14, 2024** Buchanan reviewed the minutes from March 14, 2024 with the board.
Minutes Approved- Motion Nolan Calara, Second Erick Kong

- 3. Investment Summary as of March 31, 2024 (Information)** Daniel Tichenor reported.
 - No major changes or wholesale shifts
 - Qtr. end was almost 2 months ago
 - U.S. Equities & Bonds have same expected return over 7 years (6 ½ - 7 ½ return)
 - Lower expected return in equities (U.S. Equity evaluations & bonds had volatility; will continue until probably December
 - Credit scores have fallen for the first time in a decade
 - Strong first quarter for Annualized Performance Summary
 - Will end the year positively
 - Underlying investment position: strong absolute returns, international equities held up better; ASI had similar returns overall, despite having a smaller pool.
 - Huggett asked question regarding impact of U.S. currency dollar declining
 - Asset Allocation Analysis - 5.1%

- Recommendations provided:
 - Lean towards fixed income: lower returns and higher volatility than we've seen historically (6.9% over 7 year horizon)
 - Terminate brands emerging markets & Trim liquid alternatives
- **Recommendations approved-Motion Kim Huggett, Second Myeshia Armstrong**
- Private Alternative Investments
 - Collier International Partners (liquidity partner)
 - Apollo 53 (liquidity partner)
 - Insight Partners (private equity, Classic Venture Capital)
 - Kayne-Anderson Real Estate Partners (private real estate)
- Calara mentioned the ASI Resolution to ensure investments don't fund military action in military zones, like Gaza. Buchanan responded that Cabinet will review and Tichenor would need time to dig into that before responding.

4. Review FY 23/24 Operating Budget YTD Results (Information) Myeshia yielded the floor to Audrey Katzman.

- Katzman shared that the commission income is low because Follett tends to settle payment later. The second document that appears to be a duplicate is not one (the information is before depreciation).

5. Approval FY 24/25 Budget (Action)

- Katzman shared there's a decline in sales at Follett Bookstore
- Retirement is driven by actuaries & CalPERS
- Insurance rates are soaring
- Indirect costs: allocating between university and Foundation for shared space, without any investment, \$1,034,959 (projected)
- Budget for FY 24/25 approved- Motion Nolan Calara, Second Kim Huggett

6. Approval Slate of Officers & Board Nominations (Action)

- Buchanan stated that new faculty names will be submitted in Fall 2024
- Motion Kim Huggett, Second Erick Kong

7. Conflict of Interest /Related Parties Questionnaire (Information)

- Dwyla Jourdan will send this out in the coming weeks

8. Other Business - None

9. Adjournment Adjournment Approved- Motion Kim Huggett, Second Nolan Calara

Meeting adjourned at 3:05 p.m.

_____ Myeshia Armstrong, Secretary-Treasurer Date