

**BOARD OF GOVERNORS
GOVERNANCE Committee**

Remote via Zoom

Tuesday, September 28, 2021

1:00 p.m. to 2:30 p.m.



California State University **Chico**
University Foundation

Approved February 25, 2022

MINUTES

Governors: Dave Scotto – Chair; Chuck Nelsen – Vice-Chair; Stuart Casillas – Past Chair; Joyce Densmore-Thomas; Michael Franson; David Hodson; David Heinsen; Tom Martin; John Morrell; Dennis Murphy; Christina Nichols; Matt Ober; Cathy Pleasant; Michael Prime

Ex Officio: Gayle Hutchinson, President; Ahmad Boura, Vice President for University Advancement (CEO); Ann Sherman, Vice President for Business and Finance (CFO)

Staff: Pam Hollis, Dwight Seuser, Evonnia Dominguez, University Advancement; Annabelle Grimm, Business and Finance

Governors Stuart Casillas – Past Chair; Dennis Murphy
Absent:

David Scotto called the meeting to order at 1:01 p.m.

Scotto introduced new board member Matt Ober, and announced Michael Franson's resignation. Ahmad Boura noted that he already has plans for Franson's replacement, which he will present in February. Scotto asked for changes or corrections to the minutes of the June 21, 2021 meeting. There were none. Michael Prime moved to approve the minutes. Chris Nichols seconded, and the board approved the minutes.

Chair's Report: David Scotto

Scotto explained the policy review role of the Governance Committee. Two sections of the policy manual are reviewed by the committee each year, and this year sections three and four are scheduled for review. He asked the committee to take some time to review the policies over the next several months, and be prepared to discuss any issues at the February meeting. Boura said he was how proud of the committee's work to create orderly processes to keep board policies updated.

CEO's Report: Ahmad Boura

Boura announced that he had approached three more potential board members for FY22-23. Braydan Young is an active contributor to the University and has expressed interest in joining the board. Lance Lew was a former board member, and Boura would like for him to rejoin. Tim Sauer has recently retired and sold his company, and Boura would like to invite him to join as well.

The Foundation's mission is to support CSU, Chico's strategic plan by raising, investing and disbursing funds to fuel the growth and excellence of the University.

**BOARD OF GOVERNORS
GOVERNANCE Committee**

Remote via Zoom

Tuesday, September 28, 2021

1:00 p.m. to 2:30 p.m.



California State University **Chico**
University Foundation

Sauer brings a wealth of technical knowledge that could help benefit the board. Five out of the six potential candidates are entrepreneurs, and each candidate can contribute diverse expertise to the team. John Morrell asked if there was an established limit to the number of board members. Boura responded that 30 was the limit, but he felt 25 would be an ideal size.

Boura said he wanted to clarify a discussion they had about quasi-endowments at the last board meeting. Regarding the proposed creation of a quasi-endowment to support faculty and staff awards, some board members expressed concern that it might restrict options many years in the future. Boura emphasized that a quasi-endowment is inherently unrestricted and that the board has the right to restrict or withdraw funding at any time.

Ahmad indicated that as the team embarks upon its next capital campaign, there will be donations made with crypto currency and they will need to create a way to accept those donations and process them appropriately. The gift acceptance policy will need to be amended to address this. They may also look into different avenues of crypto currency conversion/investment as part of the overall investment strategy.

New Business: Scotto

Scotto reminded the board that Policy 6.9, the new Budget Policy was approved by the Governance Committee at its June meeting, but it had not yet been approved by the full board. It has been added to the Consent Agenda for the General Session meeting on October 8, and will be approved then Scotto advised the group staff has brought to his attention that they are currently in conflict with Policy #4.1 The current policy says that “the Audit Committee Chair may be a current or past board member. Non-governors who previously served on the board may chair the Audit Committee”. The new chair has never served on the board. Mike Prime said that he felt that language is not relevant to the policy and it can be removed. The committee agreed, and also suggested clarifying language in the previous paragraph to state that committee members who are not governors do not have **board** voting rights, although they do vote on Audit Committee matters, such as approving the financial statements. The committee voted to make both these changes to policy #4.1, and submit it for approval to the General Session on October 8, under the Audit Committee report.

Scotto adjourned the meeting at 1:54 p.m.

The Foundation’s mission is to support CSU, Chico’s strategic plan by raising, investing and disbursing funds to fuel the growth and excellence of the University.